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July 1, 1984

JUNE 1984 MONTHLY REPORT

Surveys of Consumer Attitudes

Richard T. Curtin, Director

CONSUMER CONFIDENCE WITHSTANDS INTEREST RATE GREMLINS

** In the June 1984 survey, the Index of Consumer Sentiment was 95.5, between the 98.1 recorded one month earlier and the 92.2 recorded one year earlier. The Index has declined just 5.5 points from the cyclical peak of 101.0 recorded in March 1984, and each monthly reading recorded thus far in 1984 has been more favorable than in any prior year during the last decade.

** Among families with incomes of $25,000 or more, the Index of Consumer Sentiment was 104.5 in the June 1984 survey, down from 107.1 one month earlier, but above the 102.5 recorded one year earlier.

** The financial progress made by American families during the past year has been the most favorable recorded during the past decade. Among all families in the June survey, 47 percent reported that their financial situation had improved, compared with just 21 percent that reported a worsened situation--the widest difference recorded since 1972.

** Two-thirds of all American families thought that business conditions had improved during the past year, but less than half of that proportion expected the same pace of improvement during the year ahead. Despite the expected slowdown in the pace of economic growth, good times financially in the country as a whole were expected to persist into the year ahead by 60 percent of all families in the June 1984 survey.

** The slower pace of economic growth during the year ahead is expected to be accompanied by rates of inflation and unemployment that average about the same as now, but with significantly higher interest rates. Among all families in the June 1984 survey, nearly two-thirds expected interest rate increases, twice the frequency recorded at the start of the year.

** Attitudes toward buying conditions remained at very favorable levels in the June 1984 survey, despite rising interest rate concerns. Although the proportion of consumers holding favorable buying attitudes declined somewhat in the June survey, the majority of consumers still favorably evaluate buying conditions for houses, cars, and large household durables.

* * *

The small declines from record levels do not detract from the otherwise very favorable level of consumer sentiment. The renewed and sustained strength in personal finances, coupled with favorable attitudes toward buying conditions, points toward continued high sales levels through 1984 and into early 1985. To be sure, consumer buying decisions have been and will continue to be very responsive to interest rate trends. Sales of houses, cars, and large household durables are likely to weaken along with interest rate increases, while non-interest sensitive purchases continue to post gains.

Monitoring Economic Change Program
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Personal Financial Progress:
Best in Decade

Nearly half of all families in the June 1984 survey reported that their personal financial situation had improved during the past year, mainly due to increases in employment and incomes. Among all families, 47 percent reported that their financial situation had improved, up from 38 percent one year earlier. In comparison, 21 percent of all families in the June survey reported that their personal financial situation had worsened, down from 28 percent one year earlier. On balance, the June 1984 figures represent the most favorable evaluation of personal financial progress made by American families since 1972.

When asked to explain how their financial situation had changed during the past year, 39 percent of all families reported income increases in June, up from 35 percent one month earlier, and equal to the cyclical peak first recorded three months earlier. Income declines were reported by 14 percent of all families in the June 1984 survey, unchanged from ~~one~~ month earlier, but well below the high of 26 percent recorded in early 1983.

Although the financial situation of families has improved considerably during the past year, the expectations consumers have held for future financial gains first reached cyclical peak levels one year ago, and since then have remained at those favorable levels. Among all families in the June 1984 survey, 35 percent expected their financial situation to improve during the year ahead, just below the 37 percent recorded one year earlier. Only 11 percent of all families expected their financial situation to worsen in June, just above the 9 percent recorded one year earlier. The proportion of families that expected income increases rose slightly to 62 percent from 58 percent one year earlier, with most of the improvement concentrated in expectations of income increases in the range of 1-4%.

Slower Economic Growth Expected

Improvements in business conditions in the country as a whole were reported by 67 percent of all families in the June 1984 survey, just below the all-time peak of 75 percent recorded in January 1984. Even after this small decline, assessments of current business conditions during the first half of 1984 were still more favorable than at any other time during the past 30 years.

Although evaluations of current business conditions have remained at or near record favorable levels, expectations for future improvement reached cyclical peak levels one year ago, and have since then declined significantly. In the June 1984 survey, 30 percent of all families expected business conditions to improve during the year ahead, down from the peak of 55 percent in May 1983. The expectation that the economy would worsen during the year ahead was not very common in the June 1984 survey, rising to 15 percent from 7 percent one year earlier. Rather than renewed declines, the majority of consumers in June expected the economy would remain at its current improved level during the year ahead (53 percent). Despite the expected slowdown in the pace of economic growth, 60 percent of all families reported in mid-1984 that this would mean the continuation of good times financially in the economy as a whole during the upcoming year, just below the 63 percent recorded in mid-1983.

Rising Interest Rates Dominate Concerns

When asked about the most recent changes in business conditions--those which occurred during the past several months--the mix of economic news heard and recalled by consumers by mid-1984 became less favorable, but on balance still remained positive. Respondents less frequently recalled hearing news of favorable developments in the June 1984 survey than one year earlier (50, down

from 83 percent), and more frequently referred to unfavorable developments (40, up from 31 percent). During the past year, the largest shifts in consumers' awareness of recent economic developments involved fewer references to favorable changes in credit conditions (3, down from 17 percent), as well as more frequent references to higher interest rates and tight credit conditions (12, up from 1 percent).

Expected trends in each inflation, unemployment, and interest rates reached their most favorable cyclical levels one year ago. Since then only small reversals in inflation and unemployment expectations have been recorded. Interest rate expectations, in contrast, have become very unfavorable, and represent the major factor behind the expected decline in the pace of economic growth. Among all families in the June 1984 survey, 64 percent expected interest rates to increase during the year ahead, largely unchanged from one and two months earlier, but twice the 32 percent recorded in January 1984. Declines in interest rates during the year ahead were expected by just 10 percent of all families in June, down from 22 percent at the start of 1984.

Consumers expected prices to increase at an annual rate of 4.8% in the June 1984 survey, down from 5.3% and 5.9% in the two preceding months. Despite this decline, surveys conducted thus far in 1984 have shown only a modest increase in expected inflation rates over those recorded in early 1983, when the cyclical low of 3.3% was recorded in March.

The majority of consumers in June 1984 expected the rate of unemployment to remain largely unchanged at its current reduced level during the year ahead (52 percent). Further decreases as well as renewed increases in the rate of unemployment were expected by nearly equal numbers of families in June (24 versus 23 percent). In contrast, one year ago the proportion that

expected declines in unemployment outnumbered those that increased by a margin of more than two to one (37 versus 15 percent).

Buying Attitudes Remain Favorable Despite Interest Rate Concerns

Favorable attitudes toward buying conditions for houses, cars, and large household durables each declined by a modest amount in the June 1984 survey, largely due to concerns with rising interest rates. Even with these small declines, buying attitudes remained at very favorable levels in the June 1984 survey, as they have throughout the past year.

Attitudes toward buying conditions for houses first reached cyclical peak levels one year ago, in the June 1983 survey. At that time, 66 percent of all families favorably rated buying conditions for houses, largely due to the availability of lower mortgage interest rates. By June 1984, the proportion holding favorable house-buying attitudes fell to 55 percent. When asked to explain their views, families referred much less frequently to the availability of lower interest rates in June 1984 than one year earlier (38 percent, down from 61 percent), and more frequently referred to high mortgage rates and generally unfavorable credit conditions (33, up from 23 percent).

Favorable perceptions of credit conditions have usually been associated with the renewed availability of credit and with declines in interest rates. Recently, however, consumers have viewed current credit conditions favorably not only because interest rates had declined, but also because interest rates were expected to increase in the future, thus making current rates more attractive (see Table A). Favorable perceptions of mortgage credit conditions have shifted during the past year from the current availability of low mortgage rates (falling to 21 percent in June 1984, from 49 percent one year earlier) to buying-in-advance of rising mortgage rates. During the past few

months, however, references to buying-in-advance of rising mortgage rates fell from a high of 23 percent in April to 17 percent in June 1984, indicating quickly weakening motivations towards advance buying as interest rates increase.

Buying conditions for cars were viewed favorably by 60 percent of all families in the June 1984 survey, just below 63 percent recorded both one month and one year earlier. This relatively small decline has been due to higher interest rates on vehicle loans. The proportion of families that mention the availability of currently low interest rates fell from 38 to 12 percent during the past year, while the proportion of families holding favorable views toward buying-in-advance of rising interest rates increased from 2 to just 6 percent.

Favorable attitudes toward buying conditions for large household durables were held by 67 percent of all families in the June 1984 survey, down from the all-time record peak of 77 percent recorded one month earlier. Despite this one month decline, attitudes toward buying conditions for household durables in June were as favorable as one year earlier, and more favorable than during the prior four years. The major reason given by consumers for these favorable buying attitudes involves the availability of price discounts on large household durables, mentioned by 33 percent in June 1984, just below the 35 percent recorded one year earlier.

* * *

The June 1984 survey was conducted between June 1 and June 30, 1984, and included 680 completed interviews.

TABLE A

REFERENCES TO INTEREST RATES IN SUPPORT OF
FAVORABLE BUYING CONDITIONS

	Durables		Houses		Vehicles	
Survey Date	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
8001	1	2	NA	NA	1	1
8002	1	2	2	7	1	2
8003	1	4	NA	NA	1	2
8004	*	3	*	3	3	1
8005	*	2	3	3	*	1
8006	2	1	14	2	2	1
8007	4	1	17	6	2	1
8008	3	2	19	9	3	1
8009	1	2	11	11	2	2
8010	1	3	6	10	1	2
8011	*	2	2	8	1	2
8012	1	2	1	5	2	2
8101	*	2	1	3	4	1
8102	1	2	2	5	2	1
8103	1	*	1	4	1	1
8104	*	2	3	6	2	1
8105	1	2	4	3	3	1
8106	*	1	1	4	2	1
8107	1	1	2	4	2	1
8108	2	1	3	5	4	1
8109	*	1	3	3	4	2
8110	*	1	1	3	4	*
8111	1	1	2	2	5	*
8112	1	1	4	2	4	1
8201	2	1	5	3	4	2
8202	1	1	4	3	3	*
8203	*	1	3	2	3	*
8204	1	*	4	2	7	*
8205	2	1	3	3	10	1
8206	1	1	5	2	6	1
8207	1	1	2	2	4	1
8208	1	1	3	4	5	1
8209	3	1	16	4	9	1
8210	4	1	19	4	10	1
8211	5	*	25	5	19	1
8212	6	2	30	5	26	1

TABLE A (continued)

Survey Date	Durables		Houses		Vehicles	
	Low Rates	BiA Rates	Low Rates	BiA Rates	Low Rates	BiA Rates
8301	7	*	33	4	27	2
8302	7	1	35	5	34	1
8303	7	1	38	6	33	1
8304	12	2	46	8	38	2
8305	12	1	49	6	38	2
8306	13	3	49	12	38	2
8307	14	2	40	9	34	3
8308	11	1	33	11	30	3
8309	9	3	35	12	25	3
8310	6	1	29	9	17	2
8311	6	2	29	11	20	2
8312	6	1	30	11	16	3
8401	8	1	33	8	20	3
8402	9	2	38	12	19	3
8403	8	2	36	13	19	3
8404	8	6	29	23	15	7
8405	7	4	24	20	14	4
8406	7	4	21	17	12	6

NOTE: The proportions given above provide greater detail than is reported in the monthly tables (see Tables 27, 29 and 31). The monthly tables report the total proportion of respondents that made favorable references to credit conditions. The figures above divide this total into those respondents that referred to the current availability of low interest rates, and those that referred to buying-in-advance of rising interest rates.

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SURVEYS OF CONSUMER ATTITUDES

SURVEY RESEARCH CENTER
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Institute for Social Research

TABLES AND CHARTS

JULY 1984

The July 1984 survey is the 190th in a series of surveys of consumer attitudes conducted by the Survey Research Center at The University of Michigan. Initiated in 1946, these periodic surveys provide regular assessments of consumer attitudes and expectations, and are used to evaluate economic trends and prospects. The surveys are designed to explore why changes in consumer attitudes and expectations occur, and how these changes influence consumer spending and saving decisions.

Two charts highlight recent changes and historical patterns for most questions. Recent change charts include quarterly data before 1978 and monthly data starting in January of 1978. Historical series charts show quarterly data before 1978 and 3 month moving averages since then. See the explanatory charts at the end of this book for a detailed description.

All surveys are subject to sampling error because not all members of the population are interviewed. Most results on the total sample for this monthly survey will differ by no more than 4 percentage points in either direction from what would have been obtained by using the same methods on the entire population. See the back of this book for sampling error information.

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CHART 1 - RECENT CHANGES

THE INDEX OF CONSUMER SENTIMENT

CHART 1 - HISTORICAL SERIES

THE INDEX OF CONSUMER SENTIMENT

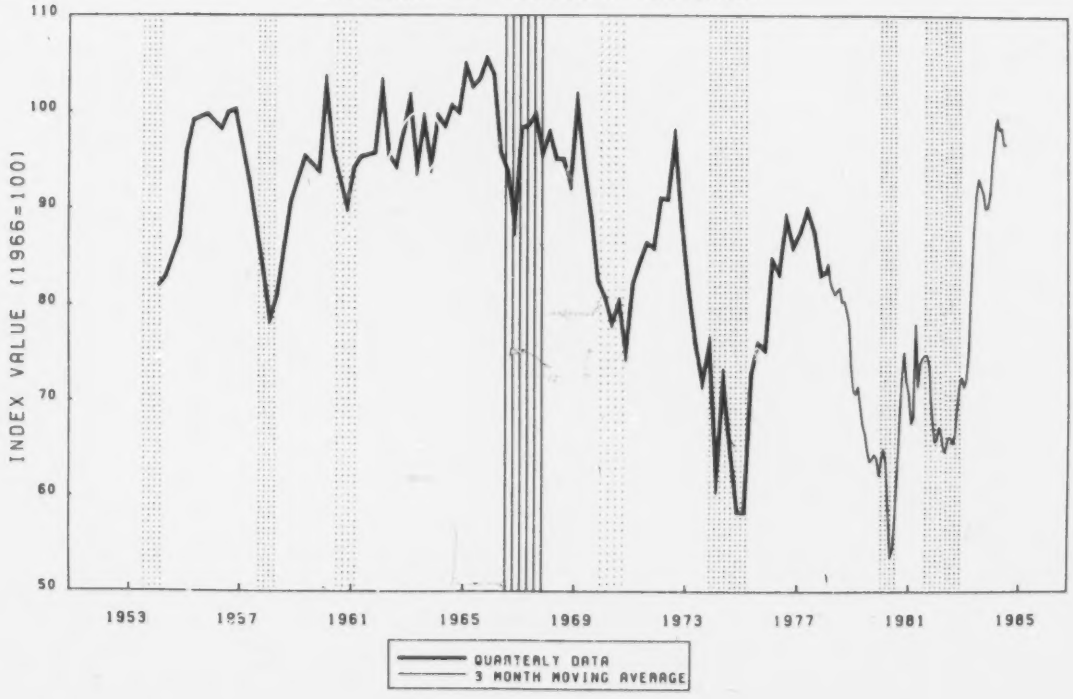


TABLE 1

THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	All families	Families with incomes over $20,000	Families with incomes over $25,000
July 1981	74.1	80.8	82.1
August 1981	77.2	82.7	85.0
September 1981	73.1	75.2	73.3
October 1981	70.3	74.5	77.9
November 1981	62.5	67.2	66.3
December 1981	64.3	71.0	71.1
January 1982	71.0	77.9	77.8
February 1982	66.5	71.5	72.8
March 1982	62.0	67.0	67.9
April 1982	65.5	71.5	73.2
May 1982	67.5	72.7	74.8
June 1982	65.7	71.4	72.9
July 1982	65.4	68.9	69.2
August 1982	65.4	71.0	73.6
September 1982	69.3	78.4	81.1
October 1982	73.4	77.5	80.9
November 1982	72.1	79.3	81.1
December 1982	71.9	78.0	80.5
January 1983	70.4	78.2	78.8
February 1983	74.6	79.9	81.3
March 1983	80.8	88.4	88.9
April 1983	89.1	97.1	99.0
May 1983	93.3	99.6	101.0
June 1983	92.2	101.2	102.5
July 1983	93.9	104.4	106.5
August 1983	90.9	101.2	103.5
September 1983	89.9	99.0	102.3
October 1983	89.3	99.5	101.9
November 1983	91.1	97.2	98.8
December 1983	94.2	101.7	104.5
January 1984	100.1	112.0	114.2
February 1984	97.4	109.6	111.2
March 1984	101.0	110.9	114.2
April 1984	96.1	103.9	105.5
May 1984	98.1	105.6	107.1
June 1984	95.5	104.4	104.5
July 1984	96.6	103.2	102.8

CHART 2A - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN REGION SUBGROUPS

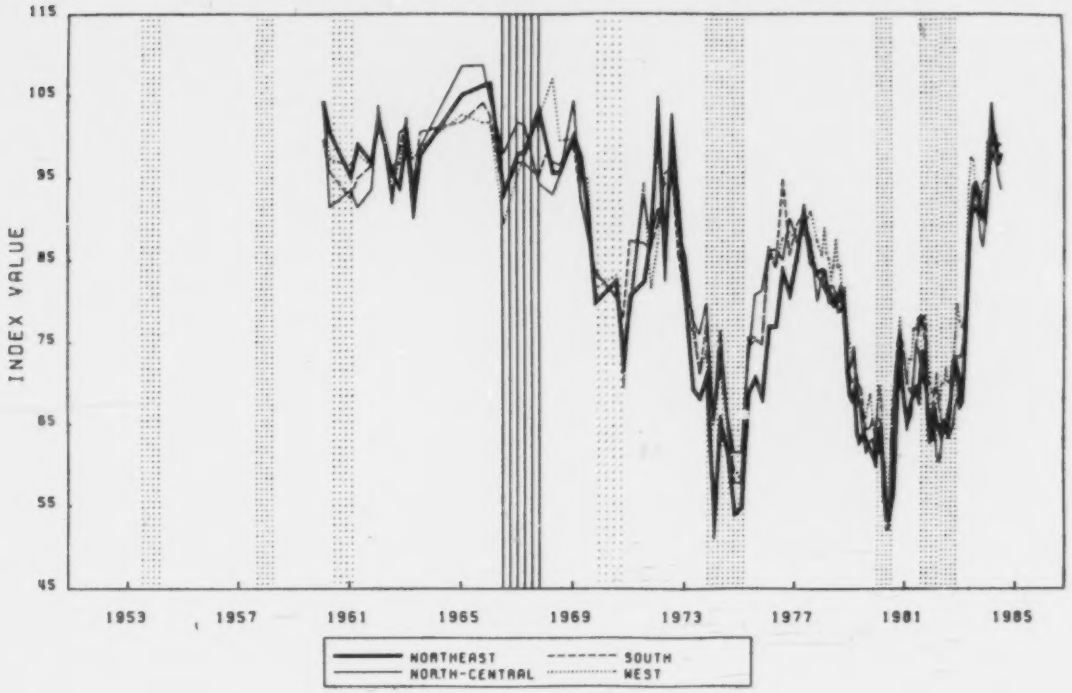


CHART 2B - HISTORICAL SERIES

INDEX OF CONSUMER SENTIMENT WITHIN AGE SUBGROUPS

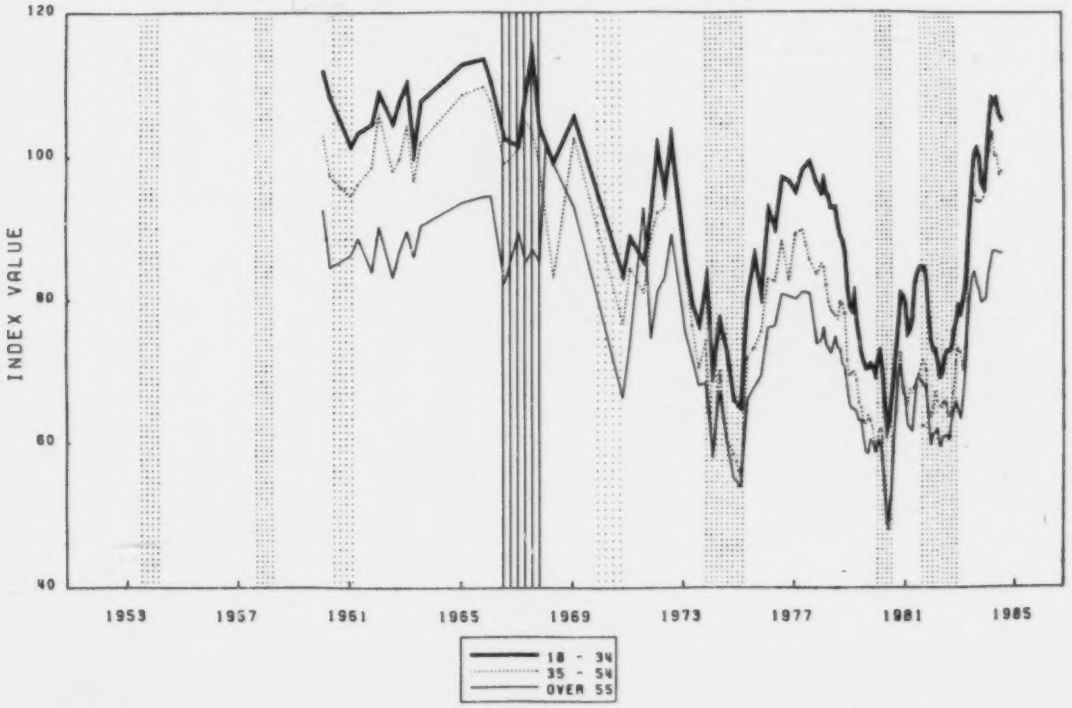


TABLE 2

INDEX OF CONSUMER SENTIMENT WITHIN REGION AND AGE SUBGROUPS

DATE OF SURVEY		CENSUS REGION				AGE OF RESPONDENT		
		North East	North Central	South	West	18-34	35-54	55+
July	1981	68.9	72.2	76.5	78.1	84.2	70.6	67.6
August	1981	77.0	70.1	83.2	79.2	87.8	75.0	67.9
September	1981	75.1	69.9	72.4	76.6	81.4	68.8	69.2
October	1981	67.9	68.2	68.9	79.0	80.7	65.9	64.8
November	1981	55.8	64.7	61.1	68.8	71.3	59.6	57.7
December	1981	65.0	65.3	64.4	61.6	70.9	65.3	56.7
January	1982	68.8	67.3	72.0	76.2	76.6	67.4	68.5
February	1982	65.9	60.6	71.8	68.8	71.5	68.3	59.0
March	1982	60.5	55.8	64.7	68.2	65.5	61.4	58.8
April	1982	67.2	64.6	65.0	65.8	70.6	65.5	60.4
May	1982	62.4	66.5	66.6	75.7	72.7	67.6	62.0
June	1982	65.4	65.0	64.9	68.6	72.4	64.4	60.3
July	1982	65.1	64.0	63.5	71.1	73.4	63.3	60.6
August	1982	68.1	60.6	64.0	70.6	72.6	62.9	60.2
September	1982	70.3	67.2	71.1	68.8	73.0	66.7	68.0
October	1982	77.8	66.2	74.1	79.3	81.2	72.1	65.5
November	1982	70.6	67.9	73.2	79.3	76.6	75.7	63.8
December	1982	66.1	70.0	72.5	80.4	78.9	71.7	64.2
January	1983	64.9	70.5	73.6	72.8	78.8	70.0	62.0
February	1983	72.1	72.3	75.8	77.2	82.1	68.3	72.4
March	1983	82.9	73.7	82.7	84.4	84.9	81.5	75.5
April	1983	89.1	88.0	87.2	95.6	95.8	90.5	80.5
May	1983	88.3	90.7	93.3	102.7	97.2	97.1	84.9
June	1983	95.1	88.7	92.5	94.1	97.8	94.4	83.9
July	1983	98.3	93.8	89.9	94.3	106.0	93.6	83.0
August	1983	89.6	92.0	91.3	89.6	99.2	92.9	80.0
September	1983	92.6	87.8	89.3	90.8	94.8	94.5	80.9
October	1983	89.9	83.7	91.5	93.5	94.2	93.8	77.8
November	1983	87.7	88.3	91.5	98.5	97.2	94.6	80.7
December	1983	91.4	96.2	95.2	92.2	102.3	97.5	81.8
January	1984	100.7	96.8	97.5	107.5	107.9	106.0	87.4
February	1984	102.3	98.4	93.5	97.1	106.2	98.9	86.5
March	1984	104.8	98.5	102.1	97.5	109.9	105.2	86.6
April	1984	92.5	95.3	98.2	99.3	106.5	95.9	87.0
May	1984	98.8	96.3	96.5	103.9	107.5	98.8	86.6
June	1984	100.1	92.1	95.0	93.7	103.0	97.1	85.9
July	1984	94.3	92.5	100.5	99.3	104.9	98.2	87.1

CHART 3 - RECENT CHANGES
CURRENT AND EXPECTED COMPONENTS

CHART 3 - HISTORICAL SERIES
CURRENT AND EXPECTED COMPONENTS

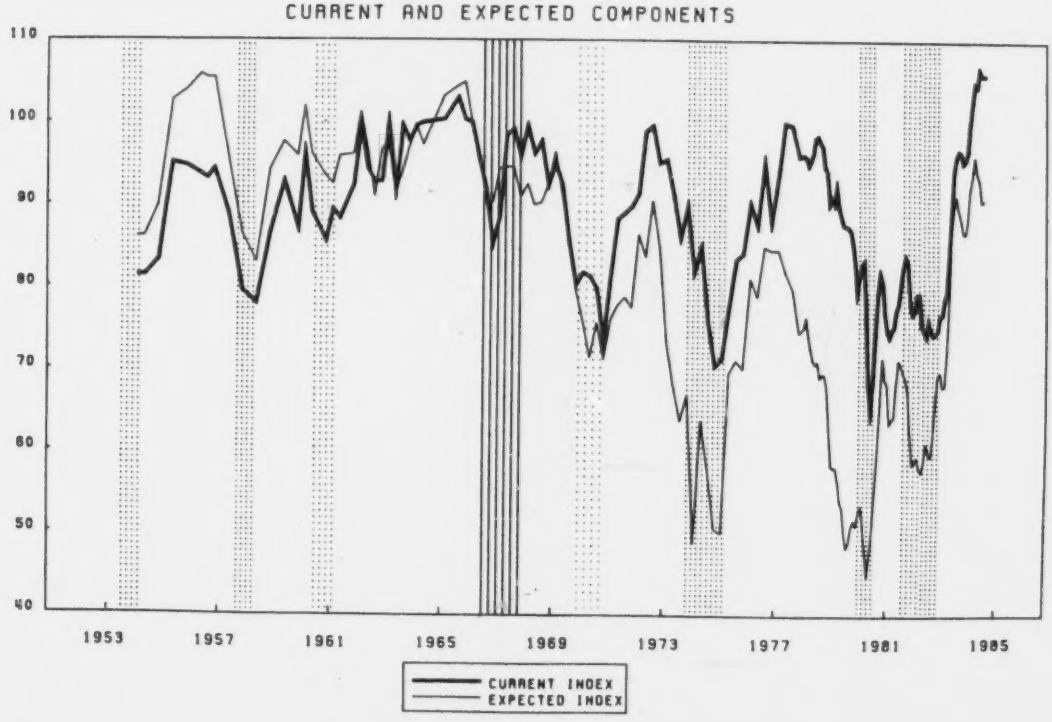


TABLE 3

COMPONENTS OF THE INDEX OF CONSUMER SENTIMENT

DATE OF SURVEY	INDEX COMPONENTS +						
	Personal finances		Business conditions				
	Current (1)	Expected (2)	12 months (3)	5 years (4)	Buying conds. (5)	Current Index (1,5)	Expected Index (2,3,4)
July 1981	99	114	81	70	118	84.9	67.1
August 1981	100	117	92	72	123	87.1	70.8
September 1981	94	113	80	80	109	79.5	69.0
October 1981	95	110	68	67	117	82.7	62.3
November 1981	85	110	54	56	99	72.1	56.3
December 1981	94	110	54	61	101	75.9	56.8
January 1982	92	115	66	70	124	83.5	62.9
February 1982	91	112	56	65	111	78.6	58.7
March 1982	89	106	44	60	106	75.9	53.1
April 1982	87	111	62	70	99	72.3	61.1
May 1982	94	113	62	72	102	76.1	62.0
June 1982	92	116	58	65	99	74.3	60.1
July 1982	90	113	53	63	110	77.5	57.6
August 1982	89	110	64	69	97	72.5	60.9
September 1982	89	116	76	74	98	72.9	66.9
October 1982	95	119	79	83	106	78.1	70.4
November 1982	85	121	77	86	105	73.8	71.0
December 1982	90	117	74	80	111	78.1	67.9
January 1983	91	115	76	69	111	78.4	65.2
February 1983	89	117	87	81	117	79.9	71.2
March 1983	92	126	113	85	115	80.5	80.9
April 1983	108	131	120	99	131	92.7	86.9
May 1983	101	137	139	100	139	93.1	93.4
June 1983	110	128	134	97	141	96.9	89.2
July 1983	111	126	136	104	143	98.1	91.1
August 1983	106	124	130	100	140	95.1	88.2
September 1983	109	125	125	95	140	96.4	85.8
October 1983	104	124	124	98	140	94.3	86.1
November 1983	111	127	129	98	138	96.1	87.9
December 1983	123	125	140	102	134	99.3	91.0
January 1984	117	129	154	108	155	104.9	97.0
February 1984	119	130	139	106	151	103.9	93.2
March 1984	122	135	146	113	153	106.0	97.7
April 1984	117	124	136	106	153	103.9	91.1
May 1984	121	129	131	105	164	109.8	90.6
June 1984	126	124	131	106	145	104.4	89.8
July 1984	117	124	133	113	152	103.9	91.9

(1) See Table 4.
(2) See Table 6.
(3) See Table 18.
(4) See Table 19.
(5) See Table 26.

+ : Percent saying "GOOD TIMES" (or "BETTER"), minus percent saying "BAD TIMES" (or "WORSE"), plus 100.

CHART 4 - RECENT CHANGES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

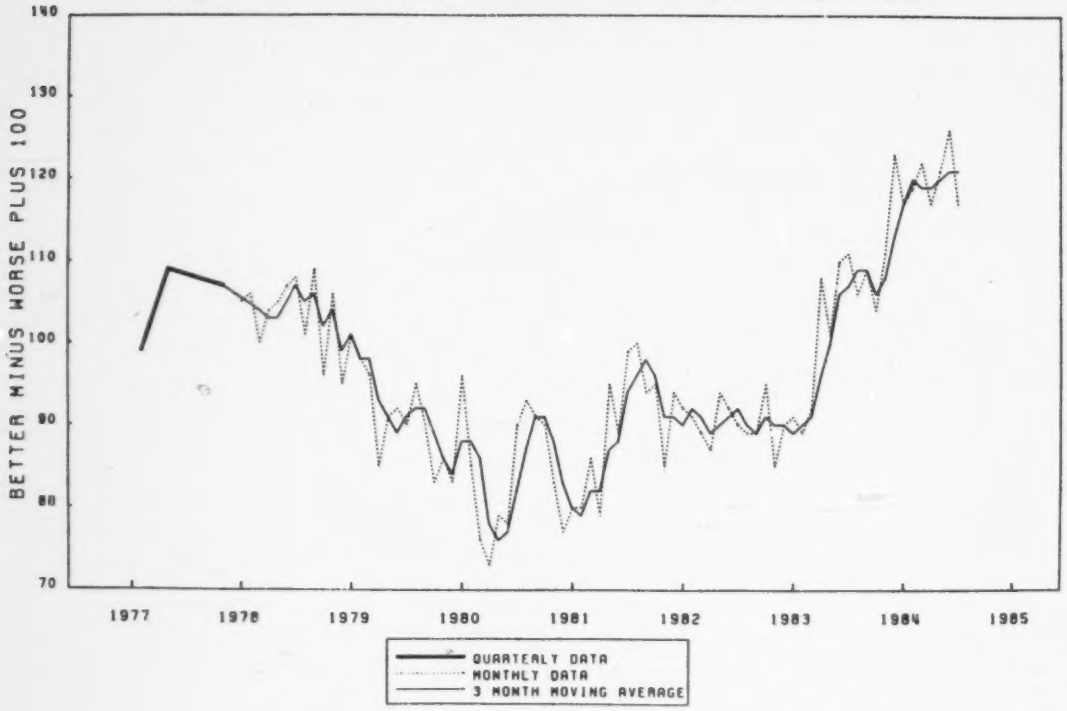


CHART 4 - HISTORICAL SERIES

CURRENT FINANCIAL SITUATION COMPARED WITH A YEAR AGO

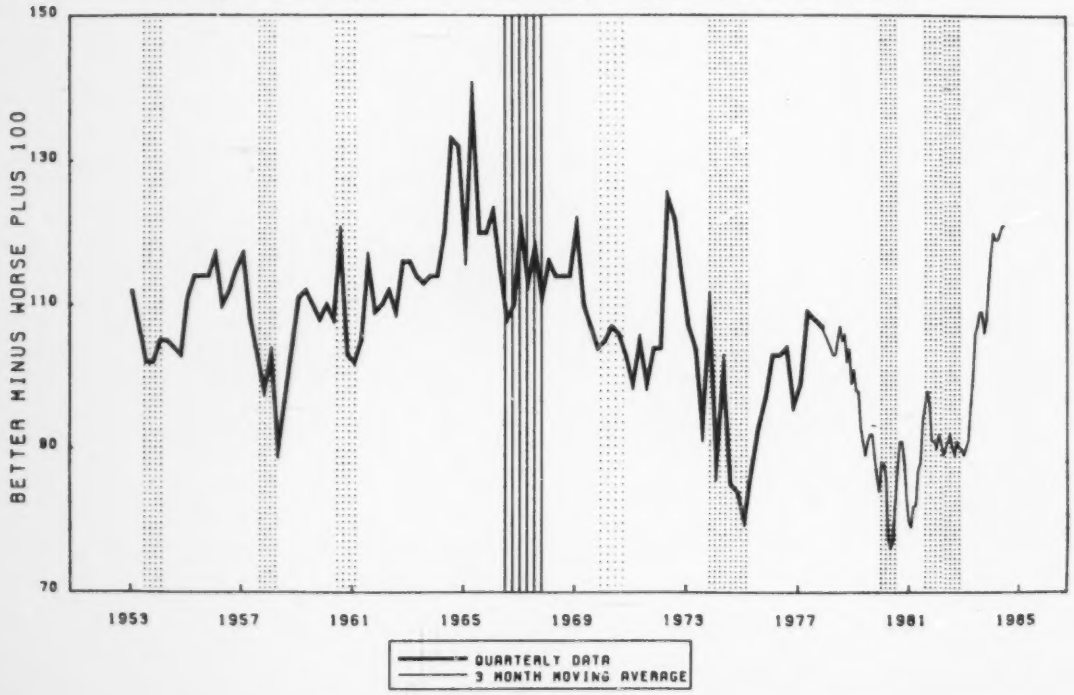


TABLE 4

CURRENT FINANCIAL SITUATION COMPARED TO A YEAR AGO

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
BETTER OFF	40%	36%	38%	36%	38%	45%	42%	44%	48%	43%	44%	47%	42%
SAME	31	34	33	32	35	33	32	31	26	30	33	31	33
WORSE OFF	29	30	29	32	27	22	25	25	26	26	23	21	25
DK,NA	*	*	*	*	*	*	1	*	*	1	*	1	*
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "We are interested in how people are getting along financially these days. Would you say that you (and your family living there) are better off or worse off financially than you were a year ago?"

* : Less than half of one percent.

CHART 5 - RECENT CHANGES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

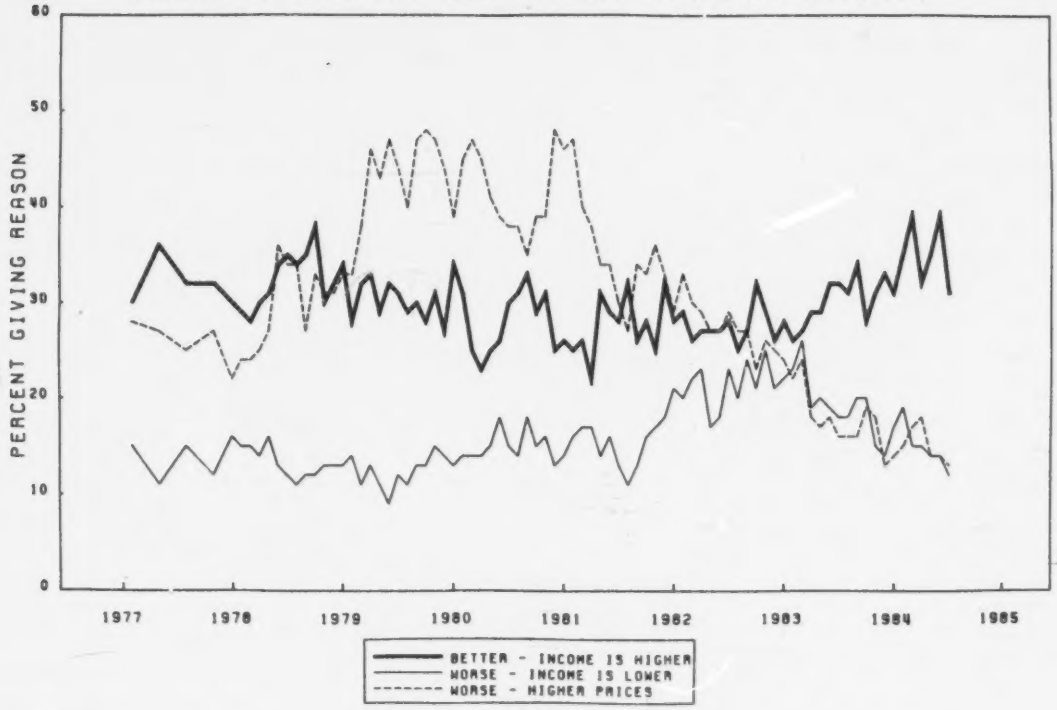


CHART 5 - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION

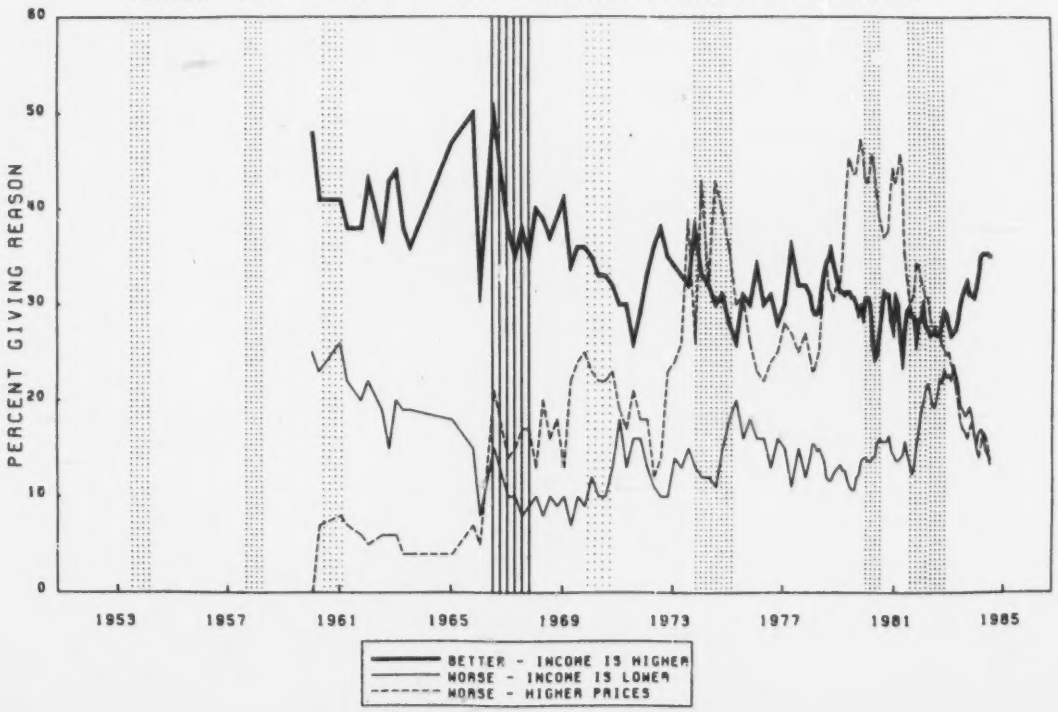


TABLE 5

SELECTED REASONS FOR OPINIONS ABOUT PERSONAL FINANCIAL SITUATION +

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
BETTER OFF THAN YEAR AGO:													
Income is higher	32%	31%	34%	28%	31%	33%	31%	35%	39%	32%	35%	39%	31%
WORSE OFF THAN YEAR AGO:													
Income is lower	18	18	20	20	15	14	17	19	15	15	14	14	12
Higher prices	16	16	16	19	18	13	14	15	17	18	14	14	13

Responses to the query: "Why do you say so?" following the question on Table 4.

+ : May add to more than 100% due to multiple mentions.

CHART 6 - RECENT CHANGES

EXPECTED CHANGE IN FINANCIAL SITUATION

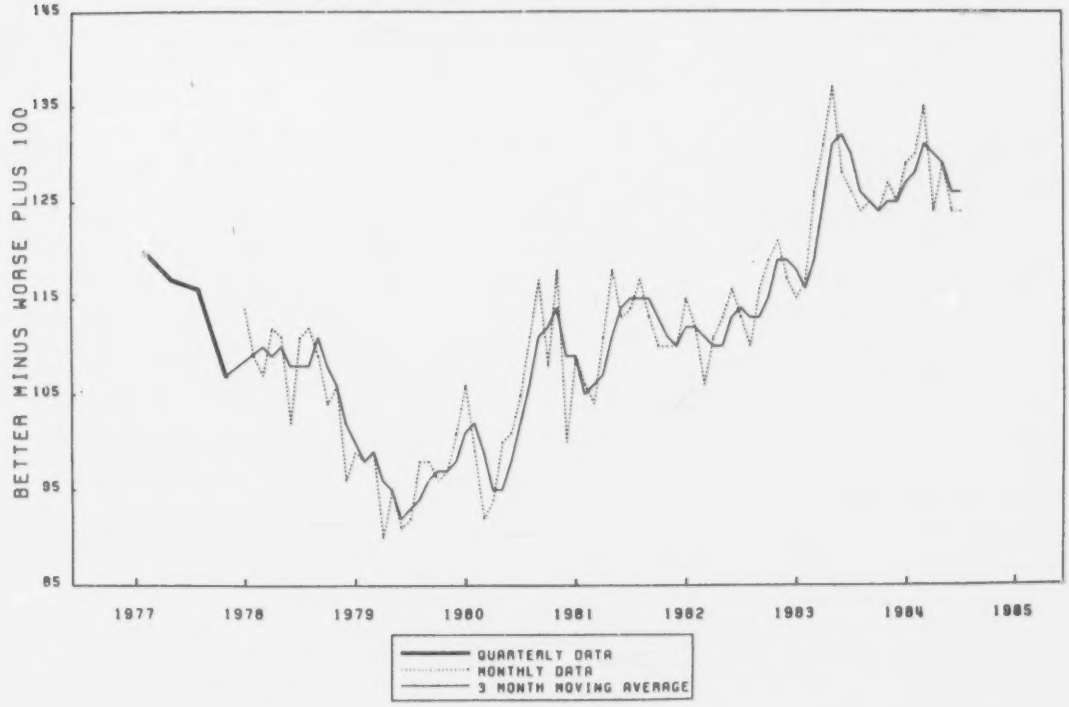


CHART 6 - HISTORICAL SERIES

EXPECTED CHANGE IN FINANCIAL SITUATION

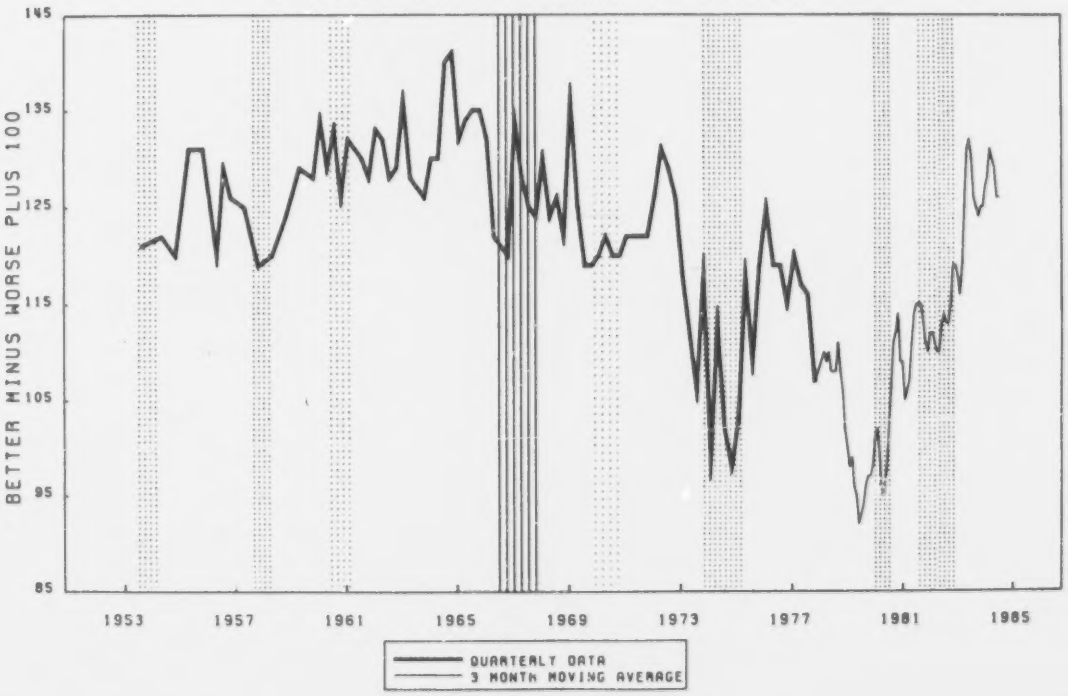


TABLE 6

EXPECTED CHANGE IN FINANCIAL SITUATION

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
BETTER OFF	35%	37%	37%	37%	38%	35%	38%	41%	44%	37%	40%	35%	34%
SAME	52	46	48	46	47	51	50	44	44	48	47	52	51
WORSE OFF	9	13	12	13	11	10	9	11	9	13	11	11	10
DK,NA	4	4	3	4	4	4	3	4	3	2	2	2	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "Now looking ahead--do you think that a year from now you (and your family living there) will be better off financially, or worse off, or just about the same as now?"

CHART 7 - RECENT CHANGES

TREND IN PERSONAL FINANCIAL SITUATION

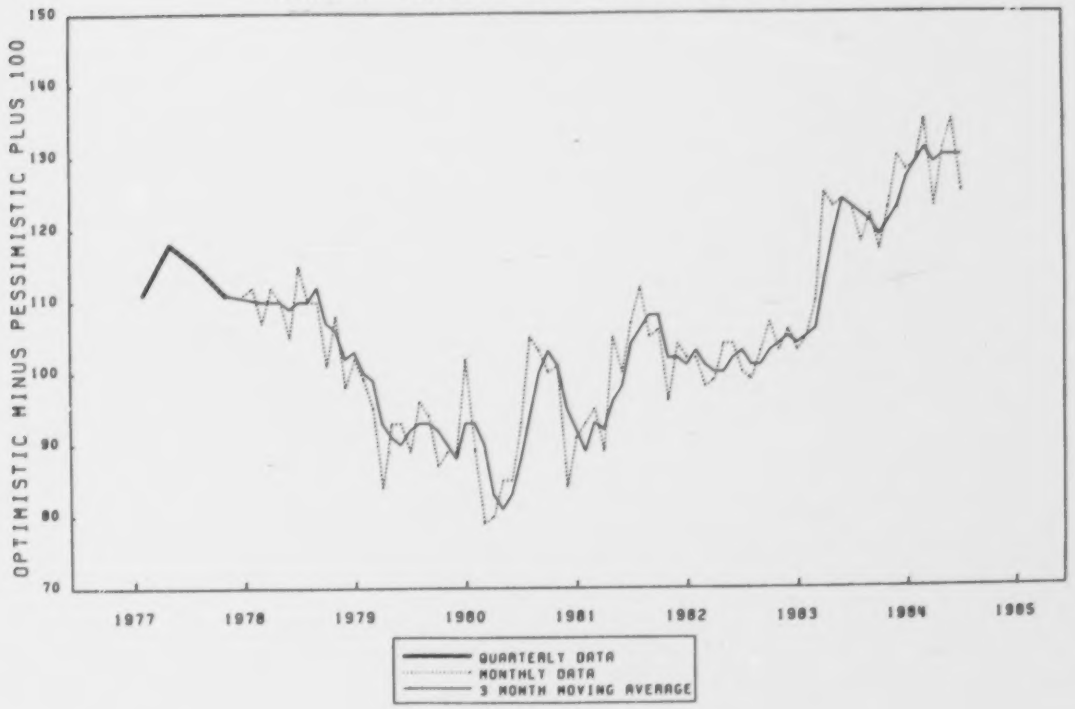


CHART 7 - HISTORICAL SERIES

TREND IN PERSONAL FINANCIAL SITUATION

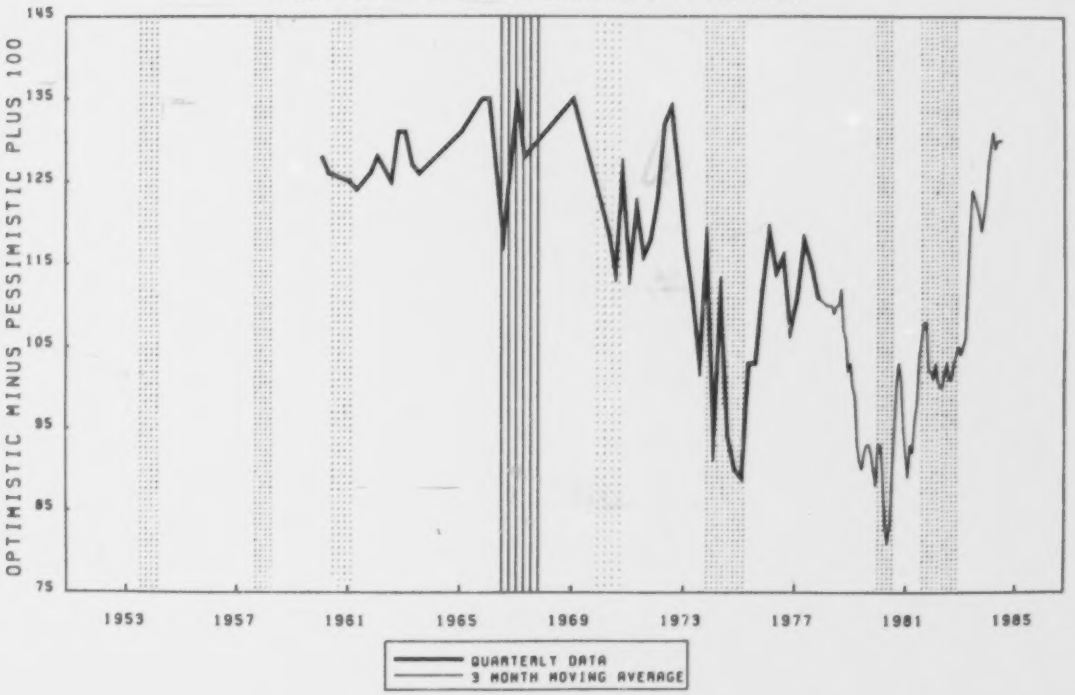


TABLE 7

TREND IN PERSONAL FINANCIAL SITUATION

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
PERSONAL FINANCIAL PROGRESS:													
Continuous increase (a)	20%	19%	18%	19%	20%	22%	22%	24%	27%	23%	23%	20%	22%
Intermittent increase (b)	24	23	27	23	23	26	26	25	27	22	24	32	24
Remain unchanged (c)	21	19	18	18	21	22	18	17	14	19	21	19	21
Intermittent decline (d)	16	18	17	18	15	13	16	16	14	16	12	12	16
Continuous decline (e)	5	6	6	7	5	5	4	4	5	6	4	5	5
Mixed change (f)	10	10	11	11	11	8	10	10	10	11	14	10	7
DK,NA	4	5	3	4	5	4	4	4	3	3	2	2	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

Combination of the responses to the questions on Tables 4 and 6.

Key: (a) Better off financially than a year ago/Better off a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 8 - RECENT CHANGES

MEDIAN EXPECTED CHANGE IN FAMILY INCOME

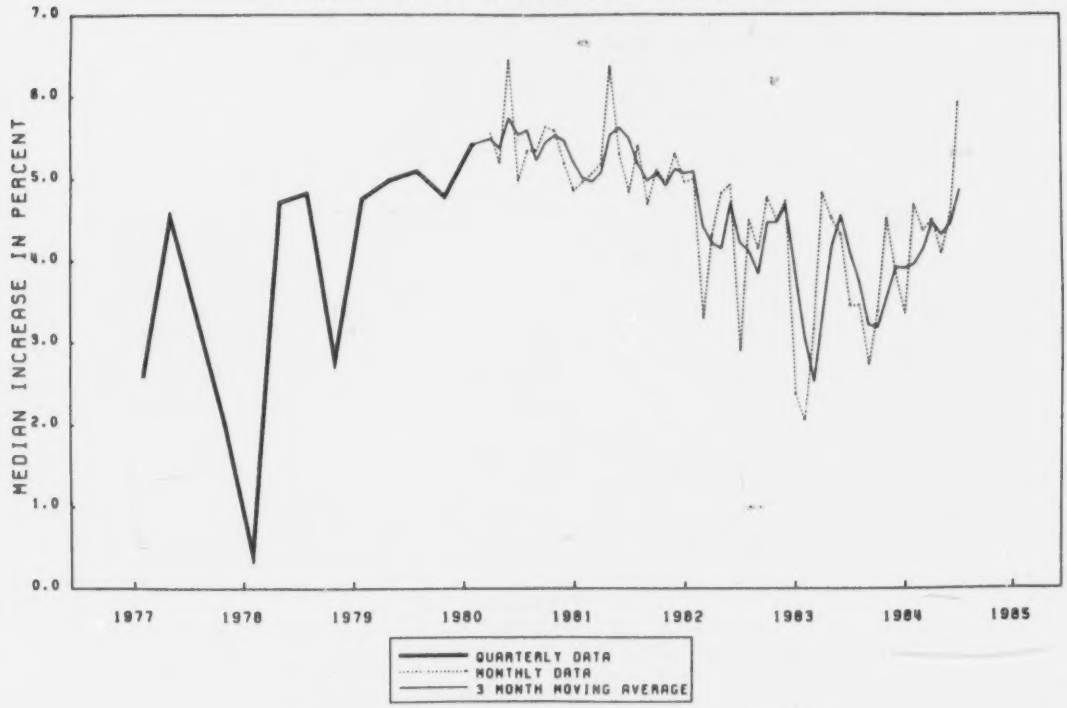


TABLE 8

EXPECTED FAMILY INCOME CHANGE DURING THE NEXT 12 MONTHS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
EXPECT INCREASE:													
1-4%	9%	13%	11%	11%	12%	12%	15%	13%	14%	11%	11%	12%	17%
5%	12	10	12	10	9	10	11	13	9	11	9	11	12
6-9%	10	10	5	10	8	10	8	10	8	8	7	12	8
10-24%	15	15	14	15	19	16	16	19	18	18	21	17	17
25% or more	7	8	9	7	8	7	7	6	11	8	8	7	6
DK how much up	4	4	6	5	7	5	4	4	6	5	6	3	4
EXPECT SAME	28	23	30	26	23	26	27	22	26	22	26	24	23
EXPECT DOWN	13	14	12	13	11	12	10	11	7	15	11	11	11
DK,NA	2	3	1	3	3	2	2	2	1	2	1	3	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The questions were: "During the next 12 months, do you expect your (family) income to be higher or lower than during the past year?" and "By about what percent do you expect your (family) income to increase during the next 12 months?"

CHART 9 - RECENT CHANGES

INCOME OR PRICES UP MORE DURING THE LAST YEAR

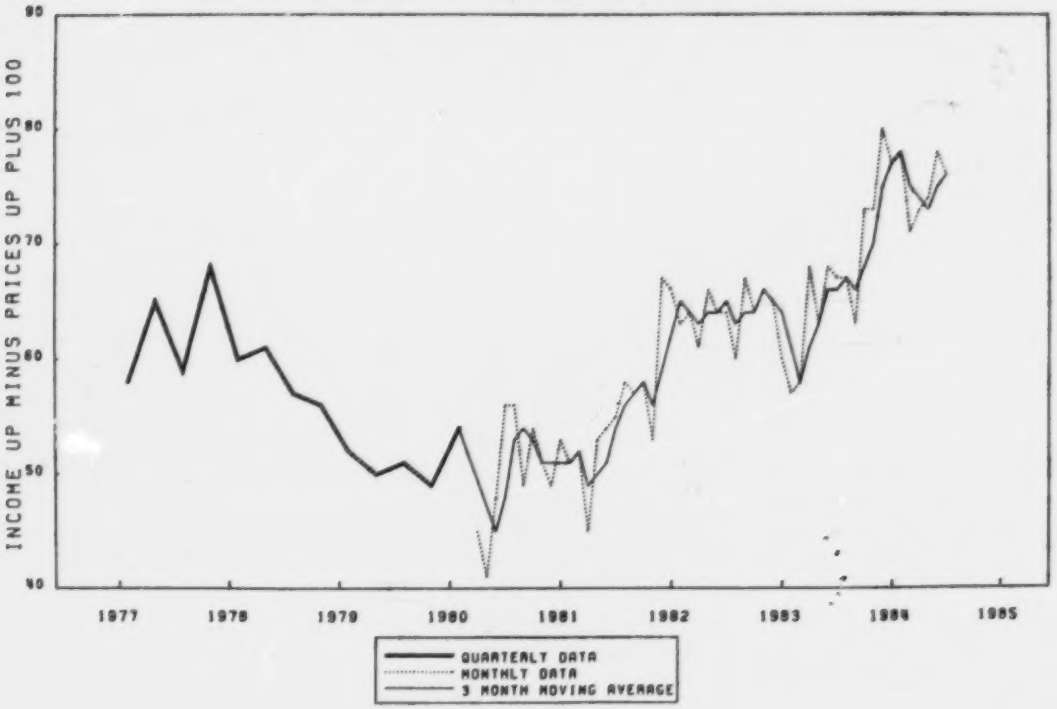


TABLE 9

PAST CHANGE IN REAL FAMILY INCOME

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
INCOME UP MORE	18%	20%	15%	20%	22%	23%	23%	22%	20%	20%	20%	21%	21%
INCOME UP SAME	29	26	31	32	28	32	29	32	30	32	33	34	33
PRICES UP MORE	51	53	52	47	49	43	46	44	49	47	46	43	45
DK,NA	2	1	2	1	1	2	2	2	1	1	1	2	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "During the last year or two, would you say that your (family) income went up more than prices, went up about the same as prices, or went up less than prices?"

CHART 10 - RECENT CHANGES

INCOME OR PRICES UP MORE NEXT YEAR

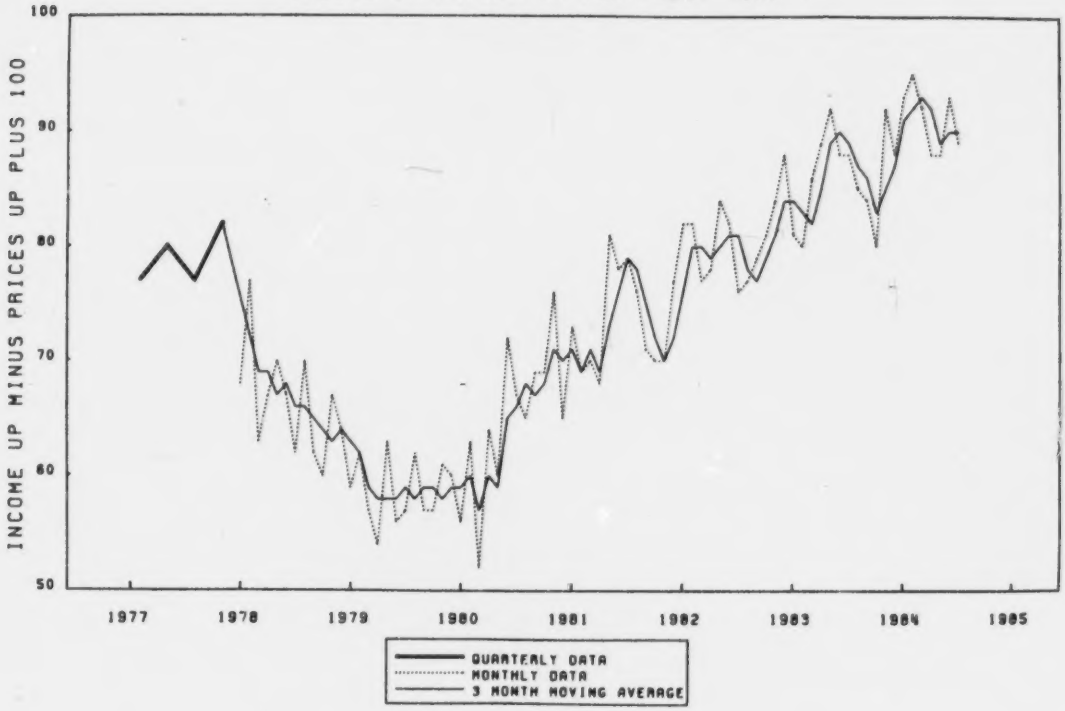


TABLE 10

EXPECTED CHANGE IN REAL FAMILY INCOME

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
INCOME UP MORE	22%	19%	19%	18%	23%	20%	23%	24%	23%	21%	22%	22%	22%
INCOME UP SAME	41	43	44	41	42	45	45	45	44	43	42	47	41
PRICES UP MORE	34	34	35	38	31	32	30	29	31	33	34	29	33
DK,NA	3	4	2	3	4	3	2	2	2	3	2	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "How about the next year or two--do you expect that your (family) income will go up more than prices will go up, about the same, or less than prices will go up?"

CHART 11 - RECENT CHANGES

TREND IN INCOME AND PRICE COMPARISON

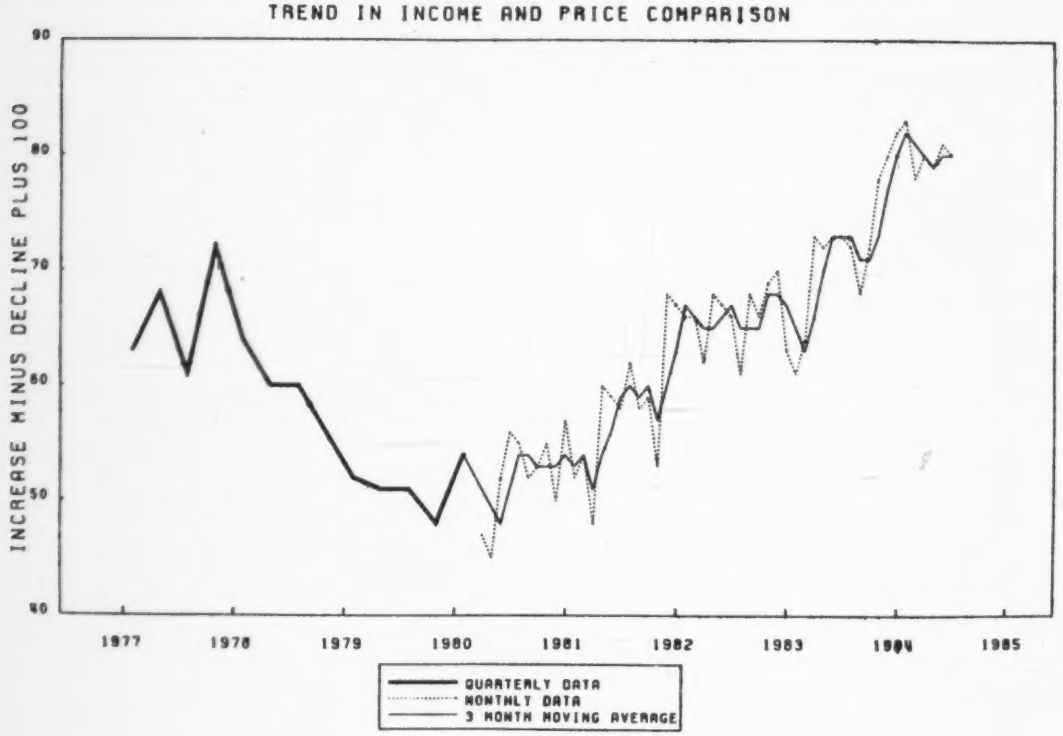


TABLE 11

TREND IN FAMILY INCOME AND PRICES COMPARISONS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
REAL INCOME PROGRESS:													
Continuous increase (a)	10%	10%	8%	11%	13%	12%	12%	13%	12%	10%	9%	11%	10%
Intermittent increase (b)	13	13	10	10	12	14	14	13	12	14	17	13	14
Remain unchanged (c)	17	16	21	20	17	19	19	20	20	21	17	22	20
Intermittent decline (d)	23	24	23	21	23	23	21	22	20	18	22	23	20
Continuous decline (e)	27	27	27	28	24	23	23	21	26	26	25	20	24
Mixed change (f)	7	6	8	7	7	6	8	6	8	7	7	8	8
DK,NA	3	4	3	3	4	3	3	5	2	4	3	3	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

Combination of the responses to the questions on Tables 9 and 10.

Key: (a) Income up more last year/Income up more next year
(b) Income up more/Same or Income up same/More
(c) Income up same/Same
(d) Prices up more/Same or Prices up same/More
(e) Prices up more/More
(f) Income up more/Prices up more or Prices up more/Income up more

CHART 12 - RECENT CHANGES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

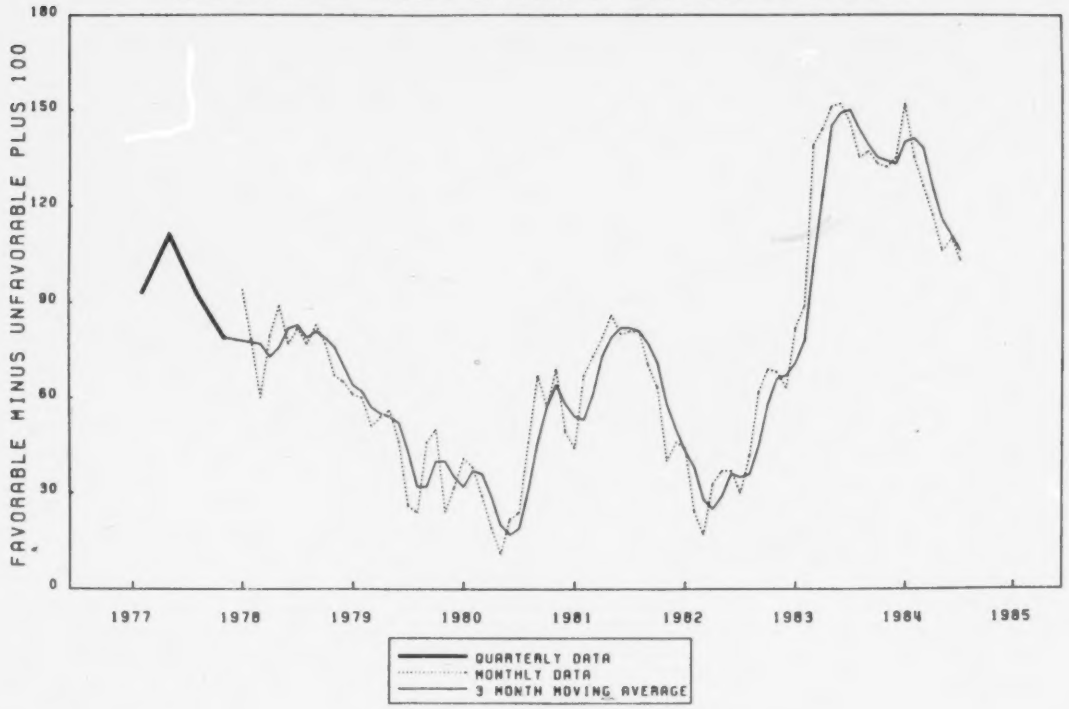


CHART 12 - HISTORICAL SERIES

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS

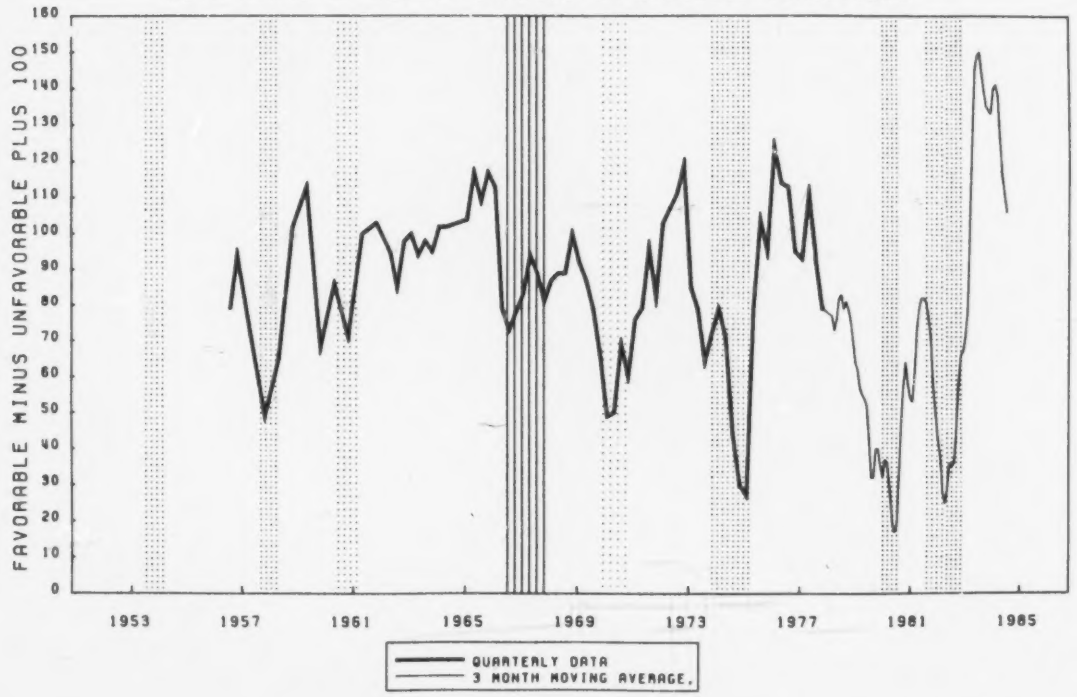


TABLE 12

NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
FAVORABLE NEWS	74%	69%	64%	63%	62%	60%	78%	66%	58%	49%	47%	50%	42%
UNFAVORABLE NEWS	28	34	27	30	30	25	26	31	32	32	41	40	39
NO MENTIONS	34	34	43	41	39	42	33	38	43	46	41	41	46

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

CHART 13A - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

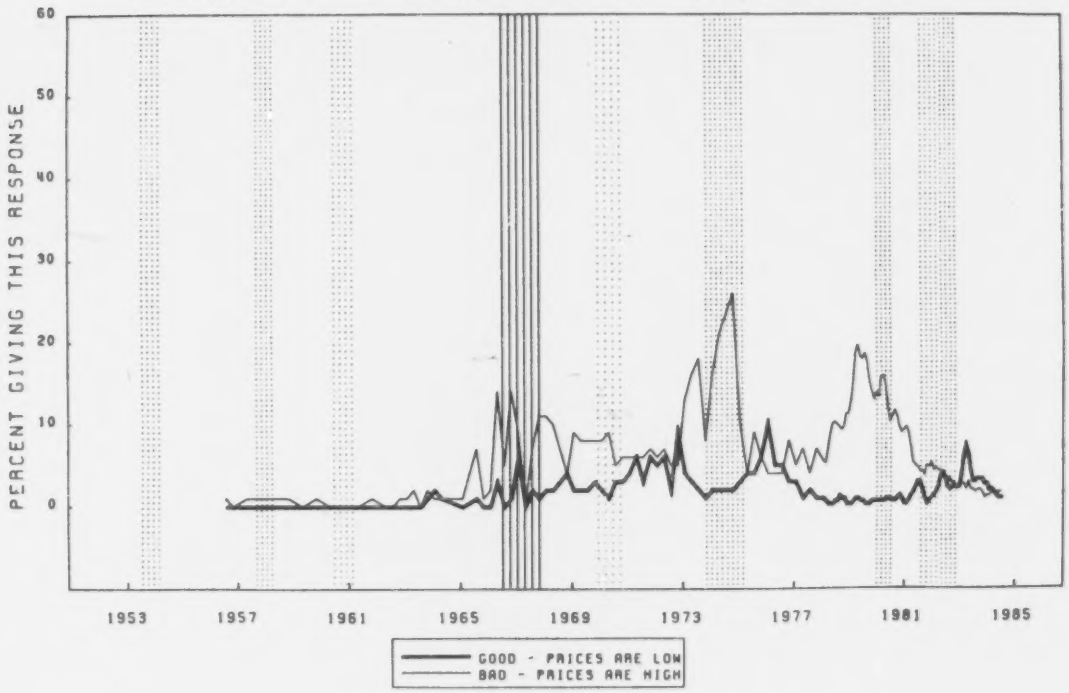


CHART 13B - HISTORICAL SERIES

TYPE OF NEWS HEARD ABOUT CHANGES IN BUSINESS CONDITIONS

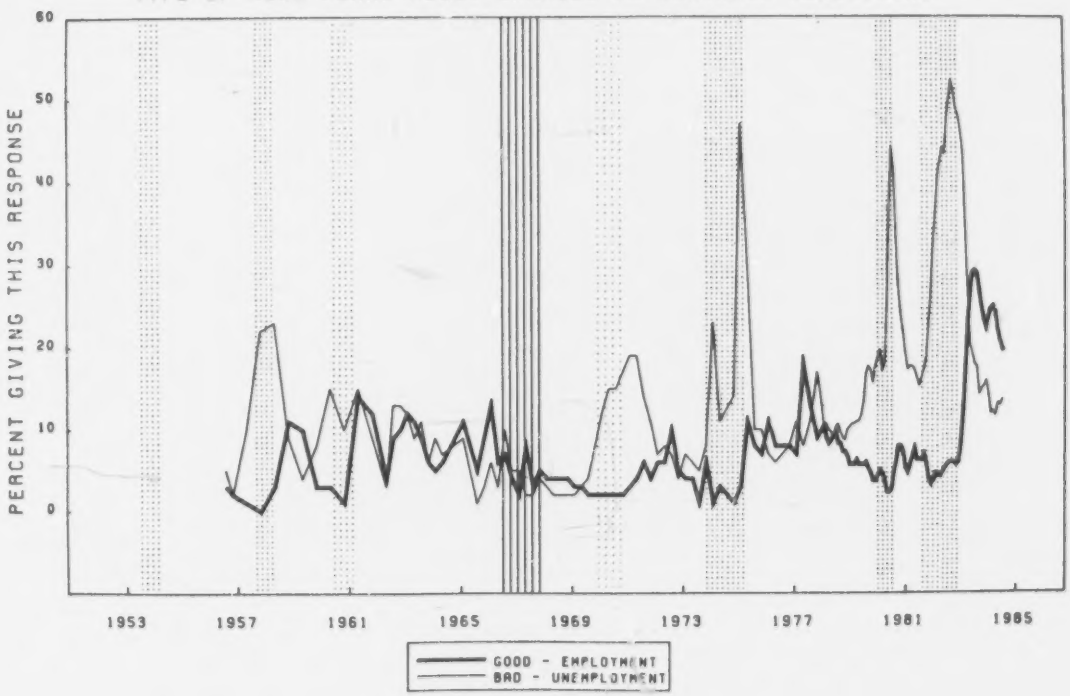


TABLE 13

SELECTED ITEMS OF
NEWS HEARD OF RECENT CHANGES IN BUSINESS CONDITIONS +

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
FAVORABLE NEWS:													
Government; elections	2%	2%	1%	2%	2%	1%	3%	2%	1%	1%	1%	2%	2%
Employment	29	27	25	23	22	22	27	25	25	23	18	21	20
Consumer demand high	11	13	11	11	13	12	18	15	10	8	10	8	4
Prices are low	3	3	4	3	3	2	3	1	2	1	1	1	1
Credit is easy	11	8	8	7	5	4	5	4	5	4	2	3	2
UNFAVORABLE NEWS:													
Government; elections	2	3	1	1	2	3	2	5	4	2	3	2	4
Unemployment	16	16	11	18	17	13	13	10	14	11	15	13	13
Consumer demand low	2	2	1	1	2	*	2	1	1	*	2	1	2
Prices are high	1	2	3	1	1	1	2	1	2	1	2	2	1
Credit is tight	3	6	4	2	1	2	1	2	3	9	10	12	13
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The questions were: "During the last few months, have you heard of any favorable or unfavorable changes in business conditions?" and "What did you hear?"

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 14 - RECENT CHANGES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

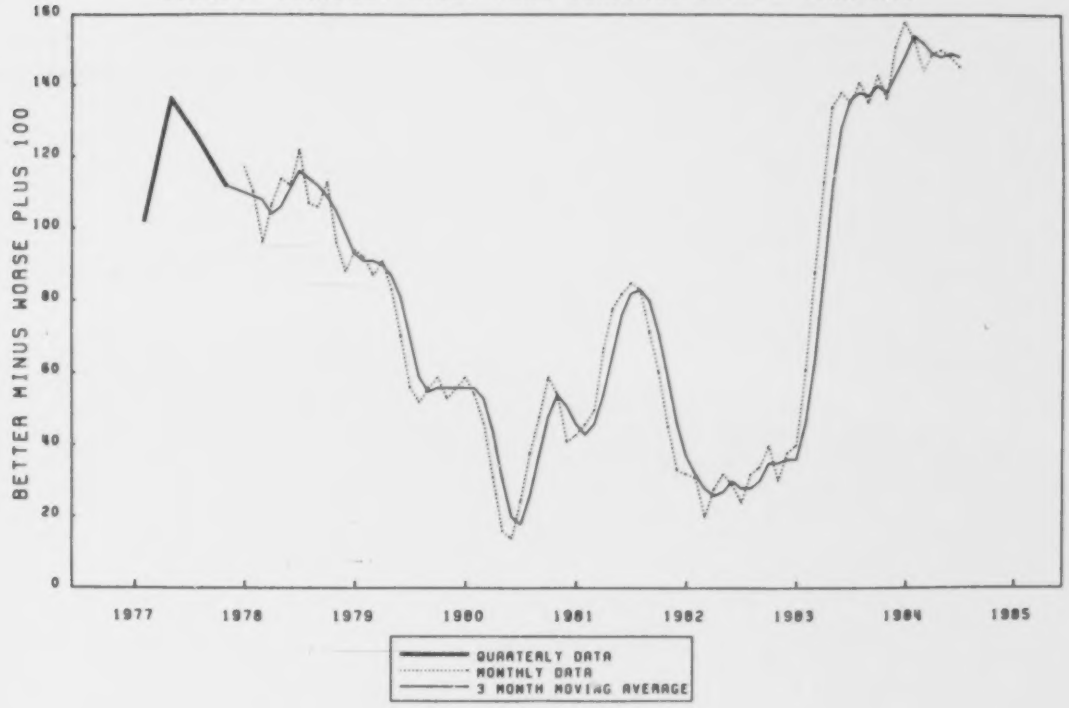


CHART 14 - HISTORICAL SERIES

CURRENT BUSINESS CONDITIONS COMPARED WITH A YEAR AGO

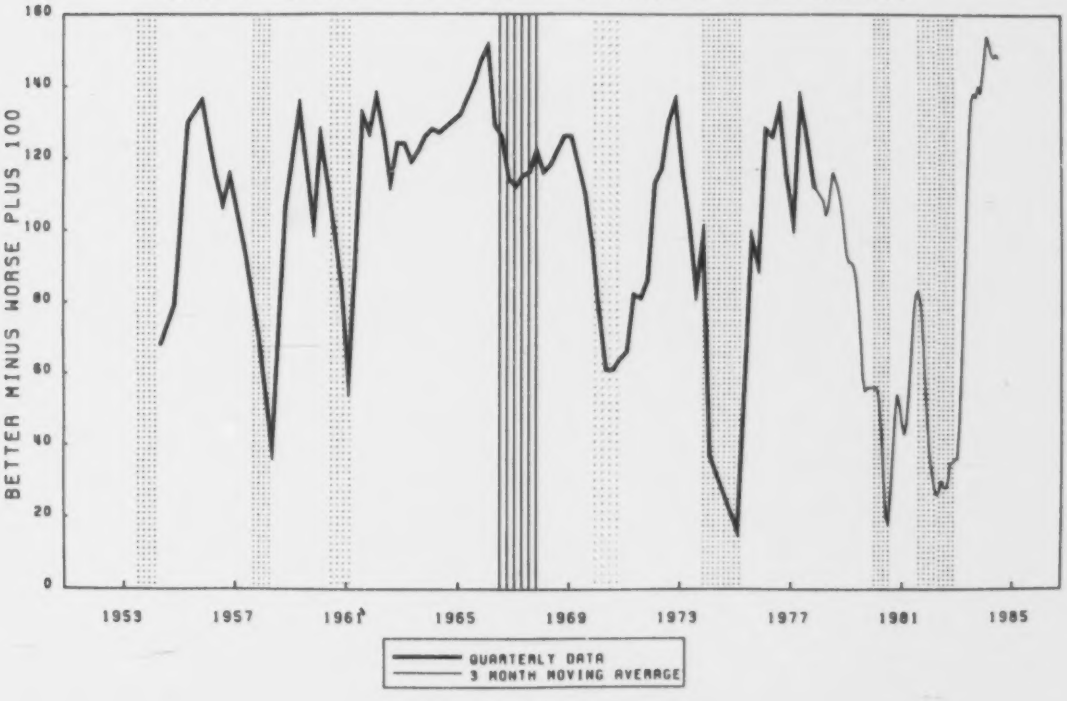


TABLE 14

CURRENT BUSINESS CONDITIONS COMPARED TO A YEAR AGO

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
BETTER NOW	63%	66%	62%	66%	63%	71%	75%	72%	67%	68%	70%	67%	67%
SAME	8	8	10	9	8	8	6	8	9	11	9	12	9
WORSE NOW	28	25	27	23	27	20	17	19	23	19	20	19	22
DK,NA	1	1	1	2	2	1	2	1	1	2	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "Would you say that at the present time business conditions are better or worse than they were a year ago?"

CHART 15 - RECENT CHANGES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

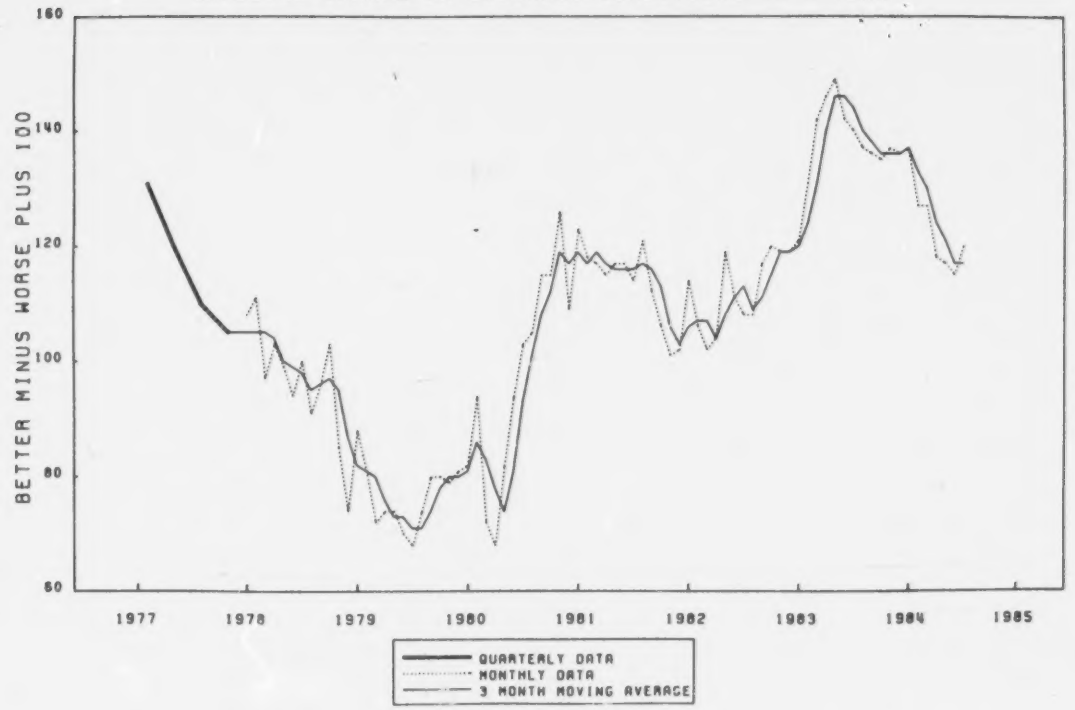


CHART 15 - HISTORICAL SERIES

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

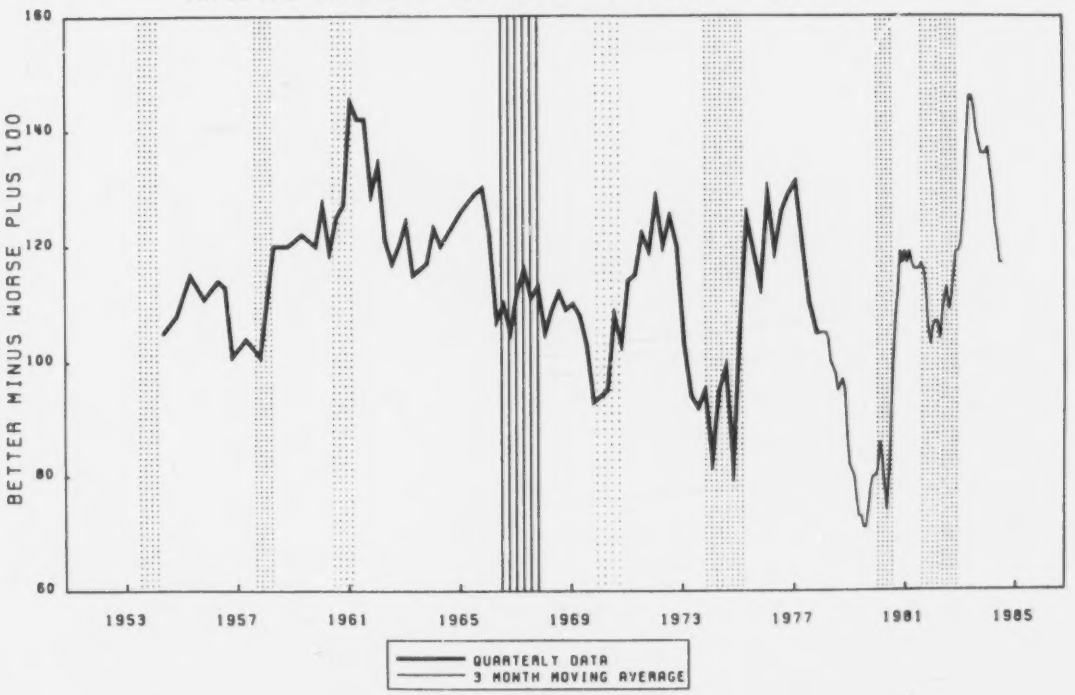


TABLE 15

EXPECTED CHANGE IN BUSINESS CONDITIONS IN A YEAR

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
BETTER	48%	47%	46%	46%	46%	44%	46%	38%	38%	32%	31%	30%	32%
SAME	42	42	42	41	43	45	43	48	49	52	53	53	51
WORSE	8	10	10	11	9	8	9	11	11	14	14	15	12
DK,NA	2	1	2	2	2	3	2	3	2	2	2	2	5
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "And how about a year from now, do you expect that in the country as a whole business conditions will be better, or worse than they are at present, or just about the same?"

CHART 16A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

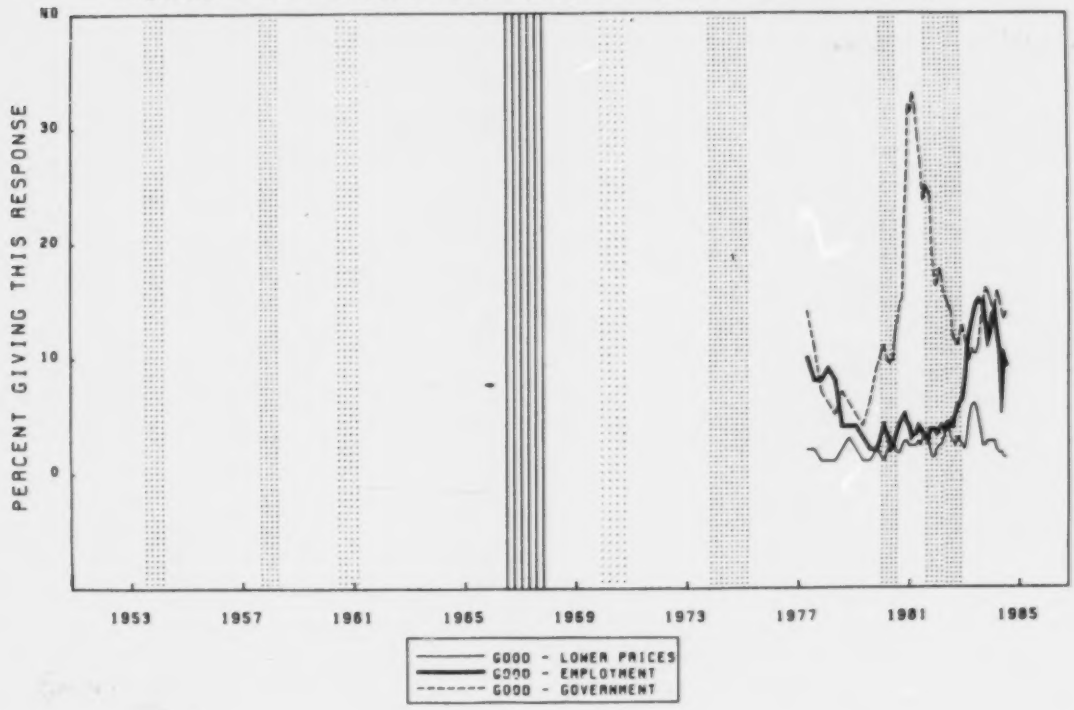


CHART 16B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUSINESS CONDITIONS IN A YEAR

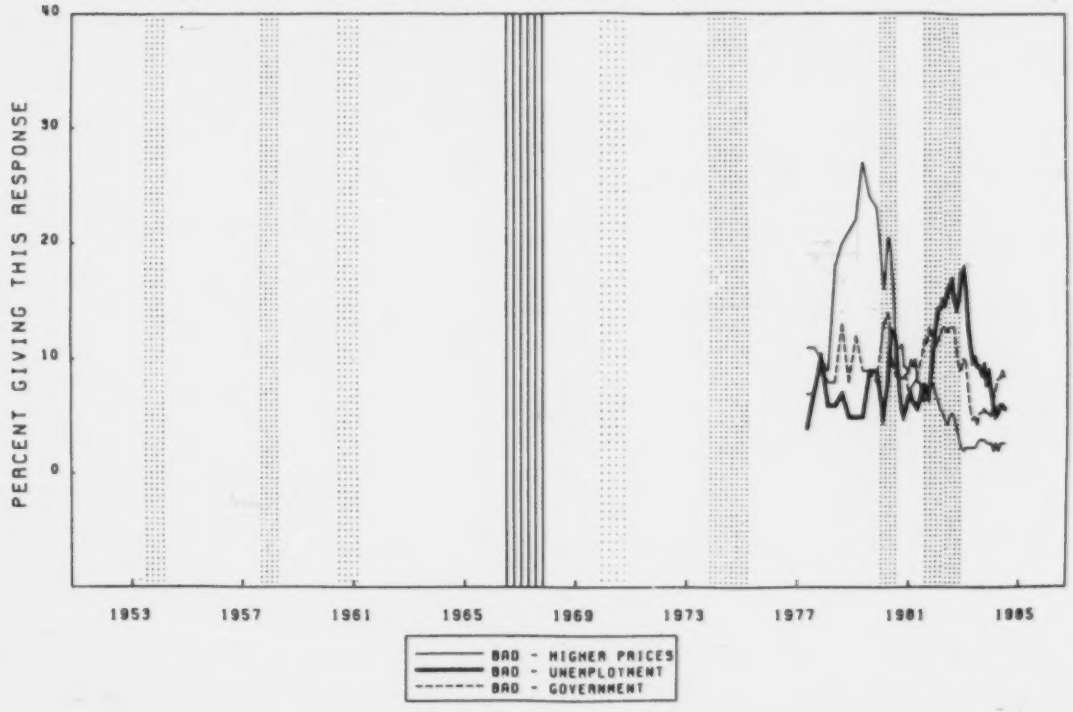


TABLE 16

REASONS FOR OPINIONS ABOUT CHANGES IN BUSINESS CONDITIONS IN A YEAR +

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
FAVORABLE REASONS:													
Government; elections	13%	16%	15%	17%	15%	13%	15%	15%	17%	13%	12%	15%	15%
Employment	15	15	14	10	10	16	15	11	10	11	9	10	9
Higher consumer demand	7	6	7	8	8	8	8	5	4	4	5	4	5
Lower prices	3	2	2	3	2	3	3	1	2	1	2	1	1
Easier credit	7	6	5	6	4	4	3	4	2	2	2	2	4
UNFAVORABLE REASONS:													
Government; elections	4	6	6	5	5	6	4	9	9	7	9	11	5
Unemployment	8	9	9	10	8	8	6	4	5	7	6	5	6
Lower consumer demand	4	3	1	3	2	2	2	1	1	2	2	2	2
Higher prices	3	4	2	3	3	2	3	1	3	2	3	2	3
Tighter credit	4	3	2	2	2	1	2	4	2	7	7	8	7
Energy crisis	*	*	*	*	*	*	*	*	*	*	*	*	*

The question was: "Why do you expect business conditions to be better/the same/worse a year from now?" following the question on table 15.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 17 - RECENT CHANGES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

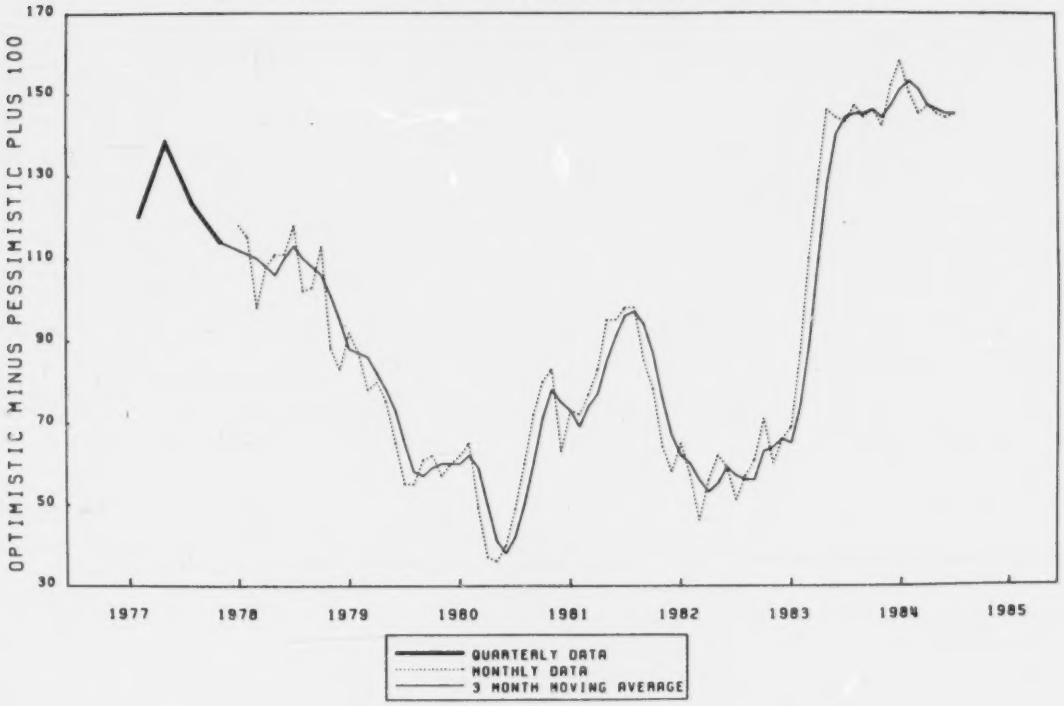


CHART 17 - HISTORICAL SERIES

TREND IN PAST AND EXPECTED BUSINESS CONDITIONS

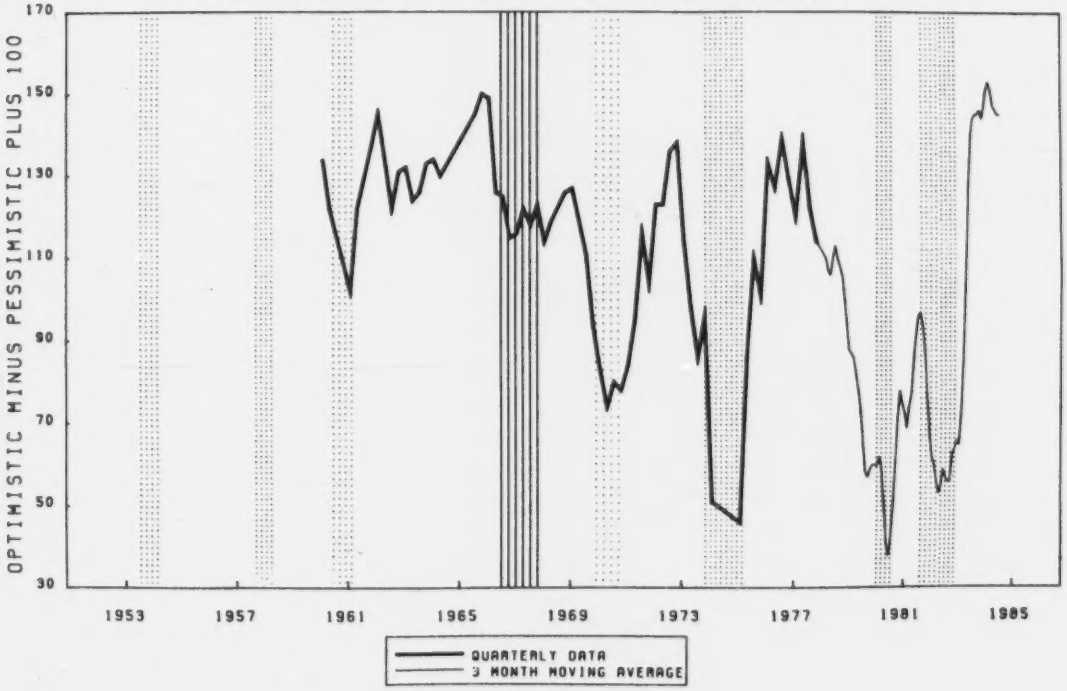


TABLE 17

TREND IN PAST AND EXPECTED CHANGES IN BUSINESS CONDITIONS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
TREND:													
Continuous increase (a)	39%	38%	34%	39%	36%	38%	41%	32%	31%	25%	27%	25%	25%
Intermittent increase (b)	24	27	28	26	27	30	31	34	32	39	36	37	38
Remain unchanged (c)	5	6	7	5	4	6	4	5	6	7	7	7	4
Intermittent decline (d)	15	12	12	13	17	12	10	12	14	10	13	11	12
Continuous decline (e)	5	6	6	6	4	4	4	4	4	7	5	7	6
Mixed change (f)	9	9	10	7	9	7	7	10	10	9	10	9	9
DK,NA	3	2	3	4	3	3	3	3	3	3	2	4	6
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

Combination of the responses to the questions on Tables 14 and 15.

Key: (a) Better than a year ago/Better a year from now
(b) Better/Same or Same/Better
(c) Same/Same
(d) Worse/Same or Same/Worse
(e) Worse/Worse
(f) Worse/Better or Better/Worse

CHART 18 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

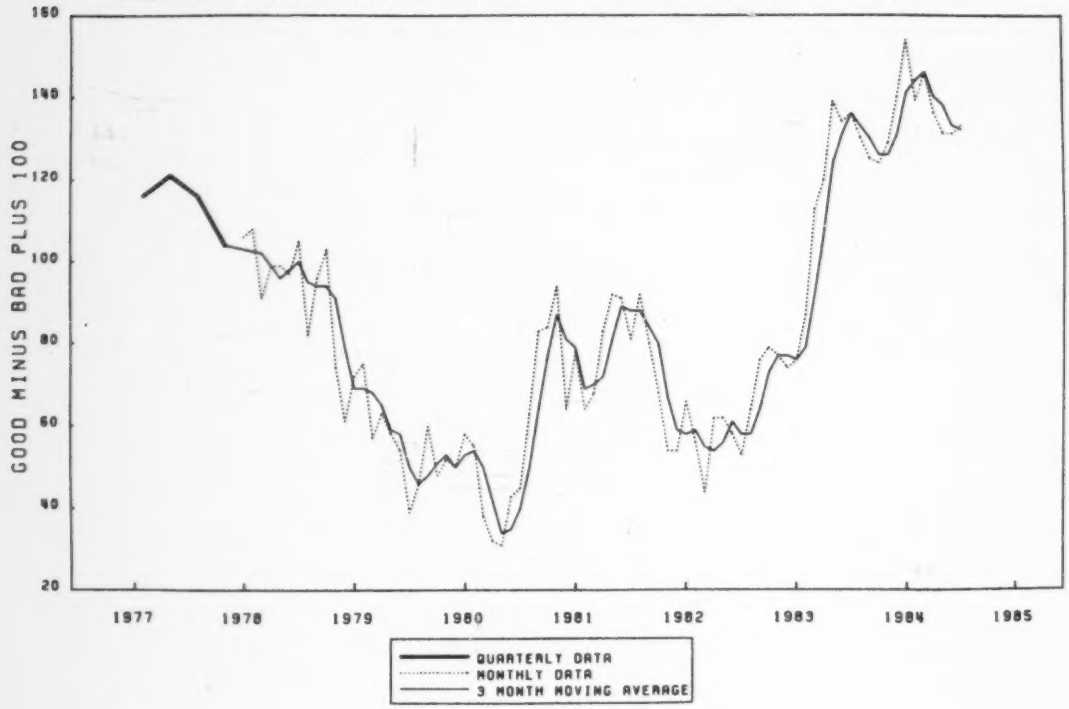


CHART 18 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED DURING THE NEXT TWELVE MONTHS

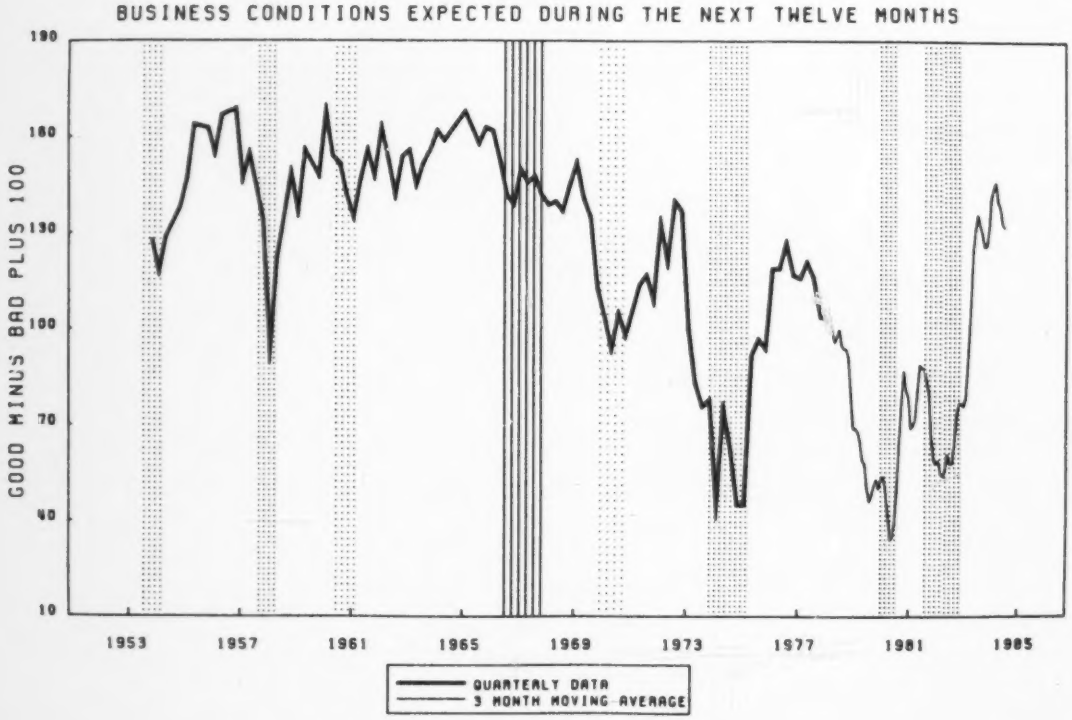


TABLE 18

BUSINESS CONDITIONS EXPECTED DURING THE NEXT 12 MONTHS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
GOOD TIMES	63%	60%	58%	58%	59%	67%	73%	65%	69%	63%	60%	60%	61%
UNCERTAIN; GOOD & BAD	3	3	2	3	3	2	2	2	2	3	3	2	2
BAD TIMES	27	30	33	34	30	27	19	26	23	27	29	29	28
DON'T KNOW	6	5	5	4	6	3	5	5	4	5	5	6	6
NOT ASCERTAINED	1	2	2	1	2	1	1	2	2	2	3	3	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "Now turning to business conditions in the country as a whole--do you think that during the next 12 months we'll have good times financially, or bad times or what?"

CHART 19 - RECENT CHANGES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

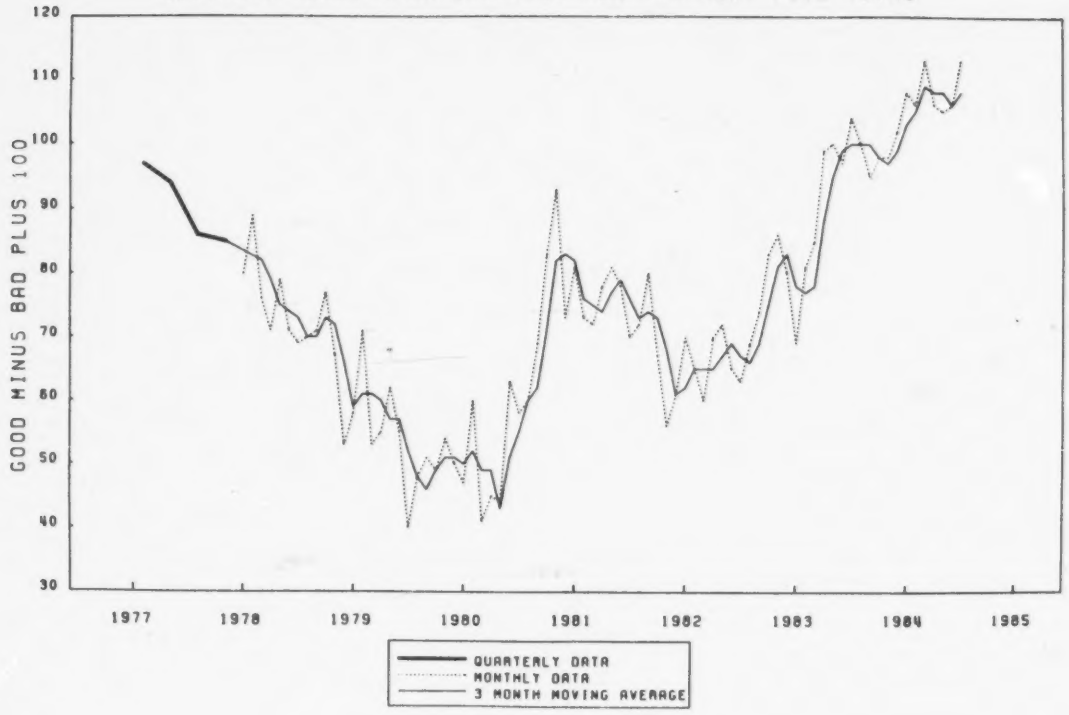


CHART 19 - HISTORICAL SERIES

BUSINESS CONDITIONS EXPECTED FOR THE NEXT FIVE YEARS

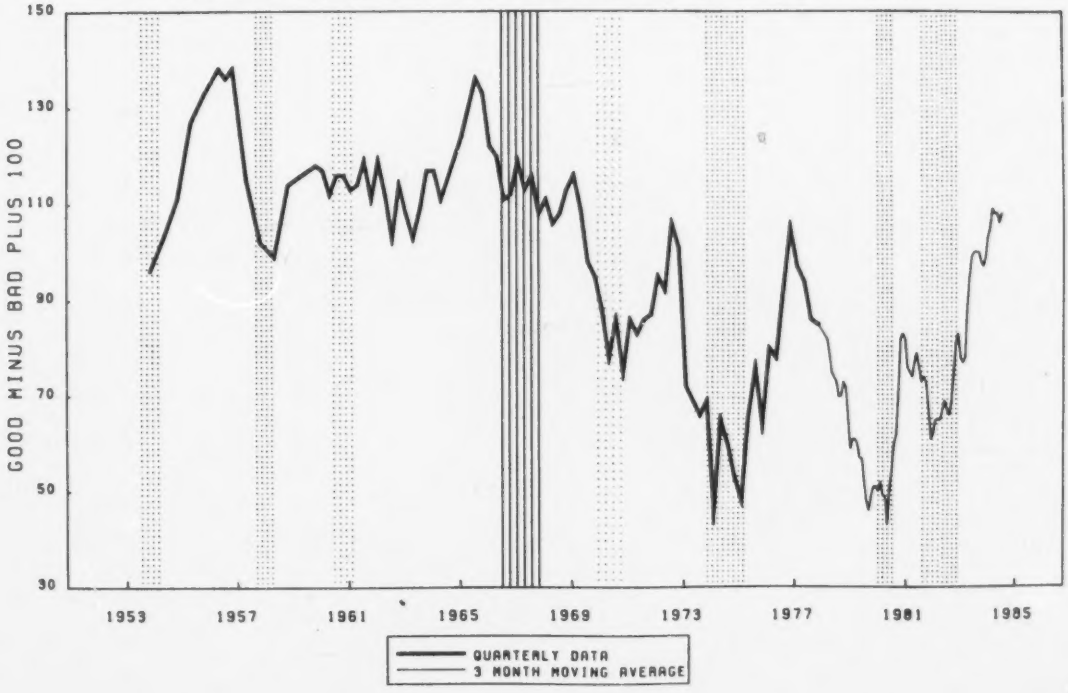


TABLE 19

BUSINESS CONDITIONS EXPECTED DURING THE NEXT FIVE YEARS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
GOOD TIMES	39%	37%	37%	39%	39%	39%	44%	42%	47%	41%	43%	42%	44%
UNCERTAIN; GOOD & BAD	20	22	19	17	15	21	17	16	15	19	15	17	19
BAD TIMES	35	37	42	41	41	37	36	36	34	35	38	36	31
NOT ASCERTAINED	6	4	2	3	5	3	3	6	4	5	4	5	6
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "Looking ahead, which would you say is more likely--that in the country as a whole we'll have continuous good times during the next 5 years or so, or that we will have periods of widespread unemployment or depression, or what?"

CHART 20 - RECENT CHANGES
EXPECTED CHANGE IN UNEMPLOYMENT

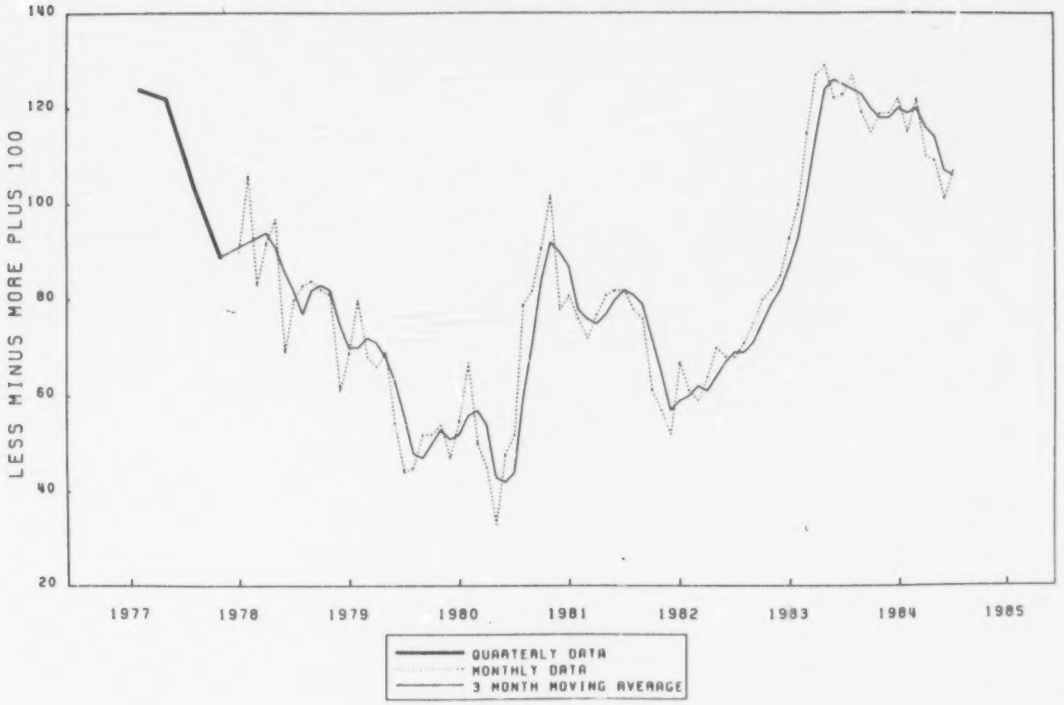


CHART 20 - HISTORICAL SERIES
EXPECTED CHANGE IN UNEMPLOYMENT

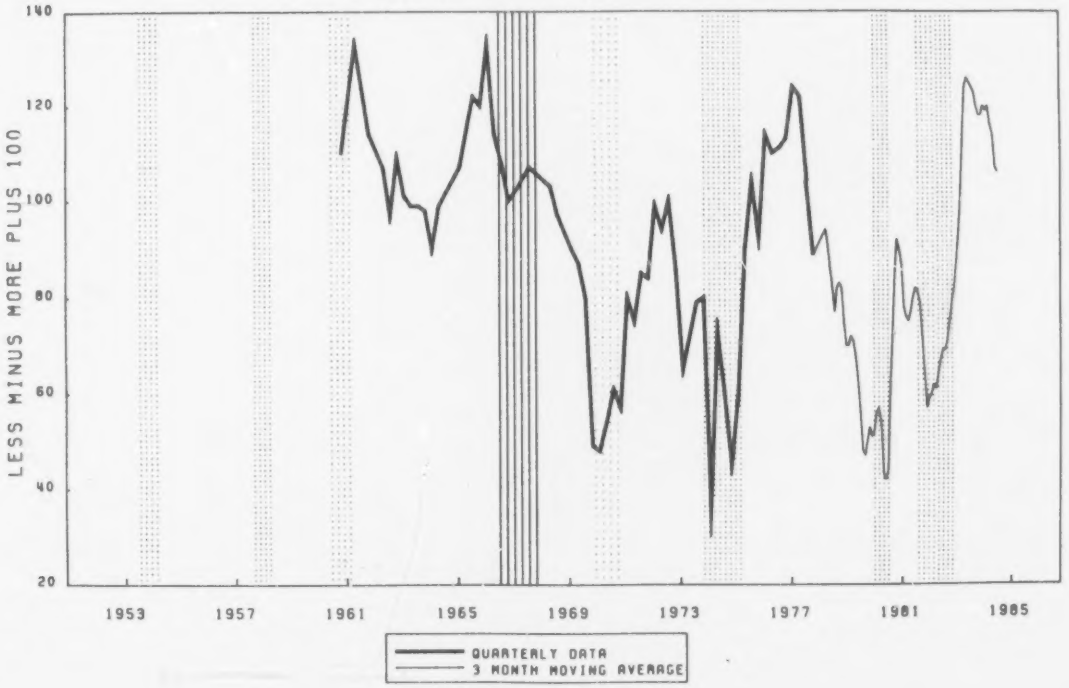


TABLE 20

EXPECTED CHANGE IN UNEMPLOYMENT

	July 1983	Aug 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
LESS	39%	42%	36%	35%	35%	36%	36%	31%	38%	28%	29%	24%	26%
SAME	44	40	46	44	47	45	48	50	45	52	51	52	53
MORE	16	15	17	20	16	17	14	16	16	18	20	23	19
DK,NA	1	3	1	1	2	2	2	3	1	2	*	1	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "How about people out of work during the coming 12 months--do you think that there will be more unemployment than now, about the same, or less?"

* : Less than half of one percent.

CHART 21 - RECENT CHANGES
EXPECTED CHANGE IN INTEREST RATES

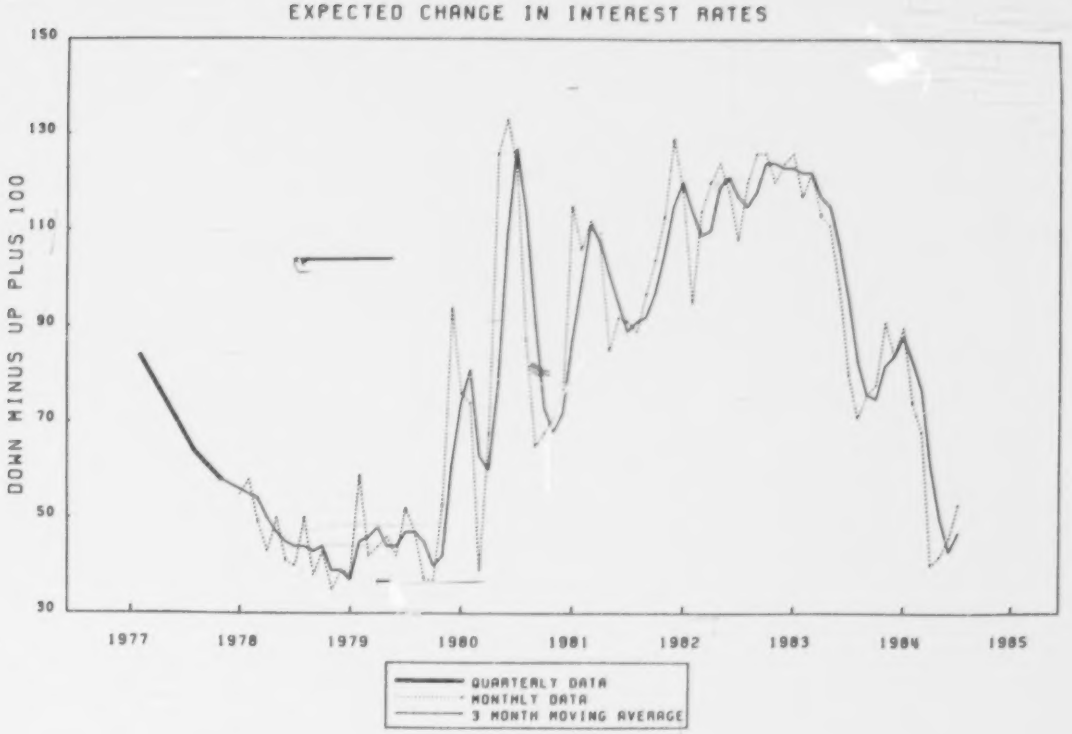


CHART 21 - HISTORICAL SERIES
EXPECTED CHANGE IN INTEREST RATES

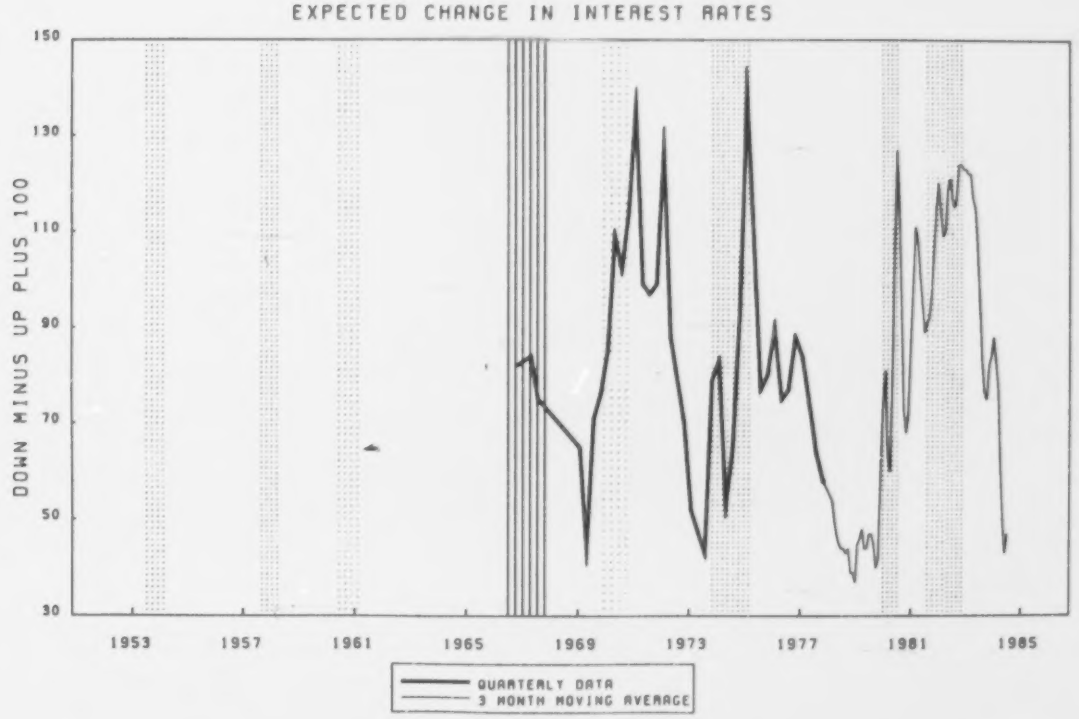


TABLE 21

EXPECTED CHANGE IN INTEREST RATES

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
GO UP	40%	47%	44%	43%	33%	37%	32%	42%	45%	68%	66%	64%	58%
STAY THE SAME	37	32	33	33	40	37	43	38	37	21	25	24	27
GO DOWN	20	18	20	21	24	21	22	16	13	8	8	10	11
DK,NA	3	3	3	3	3	5	3	4	5	3	1	2	4
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "No one can say for sure, but what do you think will happen to interest rates for borrowing money during the next 12 months--will they go up, stay the same, or go down?"

CHART 22 - RECENT CHANGES

CHANGE IN PRICES DURING THE LAST 12 MONTHS

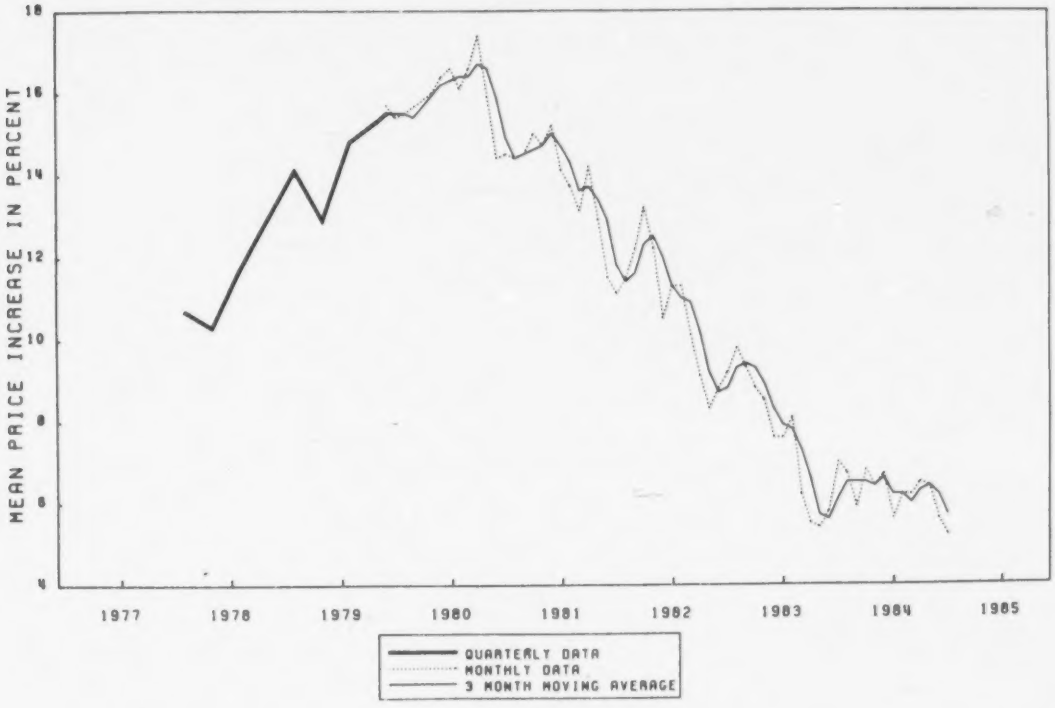


TABLE 22

CHANGE IN PRICES DURING THE LAST 12 MONTHS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
SAME OR DOWN	23%	25%	25%	21%	24%	24%	23%	23%	23%	22%	23%	22%	27%
GONE UP BY:													
1-2%	8	8	11	8	9	8	12	9	8	10	10	12	8
3-4%	14	14	13	14	13	15	16	14	16	14	14	17	17
5%	13	16	15	16	15	15	17	17	15	17	17	16	16
6-9%	11	8	7	11	8	8	8	9	10	11	9	8	8
10-14%	13	13	12	14	14	11	9	14	12	9	13	12	11
15% or more	11	11	9	11	9	10	7	9	9	12	10	8	8
DK how much up	6	5	7	4	7	8	7	5	7	5	4	5	4
DK,NA	1	*	1	1	1	1	1	*	*	*	*	*	1
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	7.0	6.7	5.9	6.8	6.4	6.7	5.6	6.2	6.2	6.5	6.4	5.6	5.2
VARIANCE	88	93	71	81	76	90	69	68	72	75	78	54	48
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The questions were: "During the last 12 months, have prices of the things you buy remained unchanged, or have they gone up, or have they gone down?" and "By about what percent do you think prices have gone up,on the average, during the last 12 months?"

* : Less than half of one percent.

CHART 23 - RECENT CHANGES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

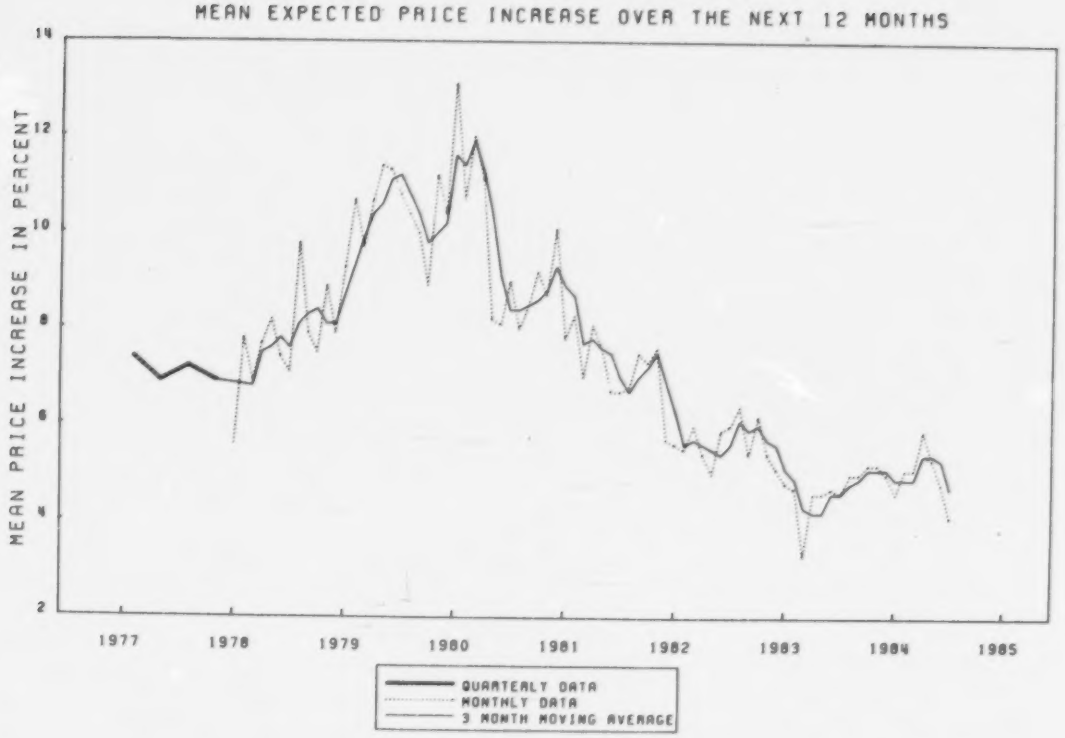


CHART 23 - HISTORICAL SERIES

MEAN EXPECTED PRICE INCREASE OVER THE NEXT 12 MONTHS

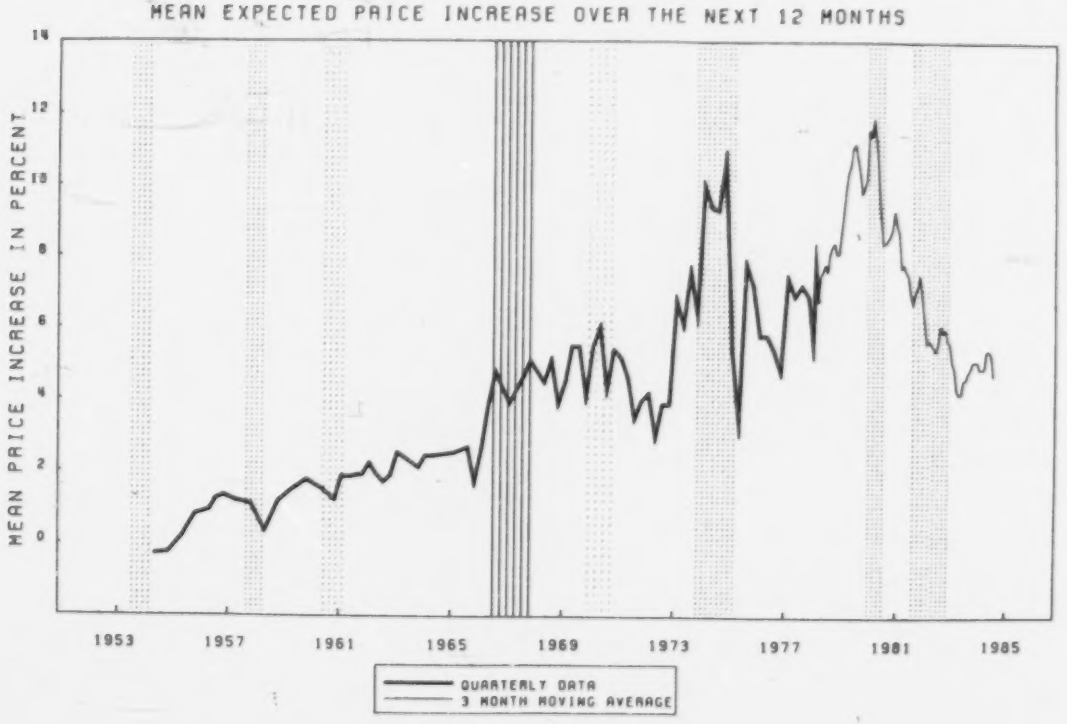


TABLE 23

EXPECTED CHANGE IN PRICES DURING THE NEXT 12 MONTHS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
SAME OR DOWN	29%	23%	28%	24%	25%	23%	25%	23%	24%	19%	19%	19%	8%
WILL GO UP BY:													
1-2%	12	14	13	12	12	12	13	14	14	13	15	14	15
3-4%	15	16	14	15	14	15	20	19	16	17	15	16	17
5%	15	16	16	15	16	17	13	19	15	15	20	18	20
6-9%	9	9	7	10	9	8	9	6	10	12	11	11	9
10-14%	9	9	10	11	11	11	10	8	11	11	9	13	9
15% or more	6	6	7	8	6	5	4	6	5	8	6	4	6
DK how much up	3	5	4	4	5	7	4	4	4	3	4	4	2
DK,NA	2	2	1	1	2	2	2	1	1	2	1	1	9
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
MEAN INCREASE	4.6	5.0	5.0	5.2	5.2	5.0	4.6	5.1	5.1	5.9	5.3	4.8	4.1
VARIANCE	44	47	51	36	54	44	40	51	55	57	49	27	33
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The questions were: "During the next 12 months, do you think that prices in general will go up, or go down, or stay where they are now?" and "By about what percent do you expect prices to go up, on the average, during the next 12 months?"

CHART 24 - RECENT CHANGES

UNEMPLOYMENT OR INFLATION MORE SERIOUS

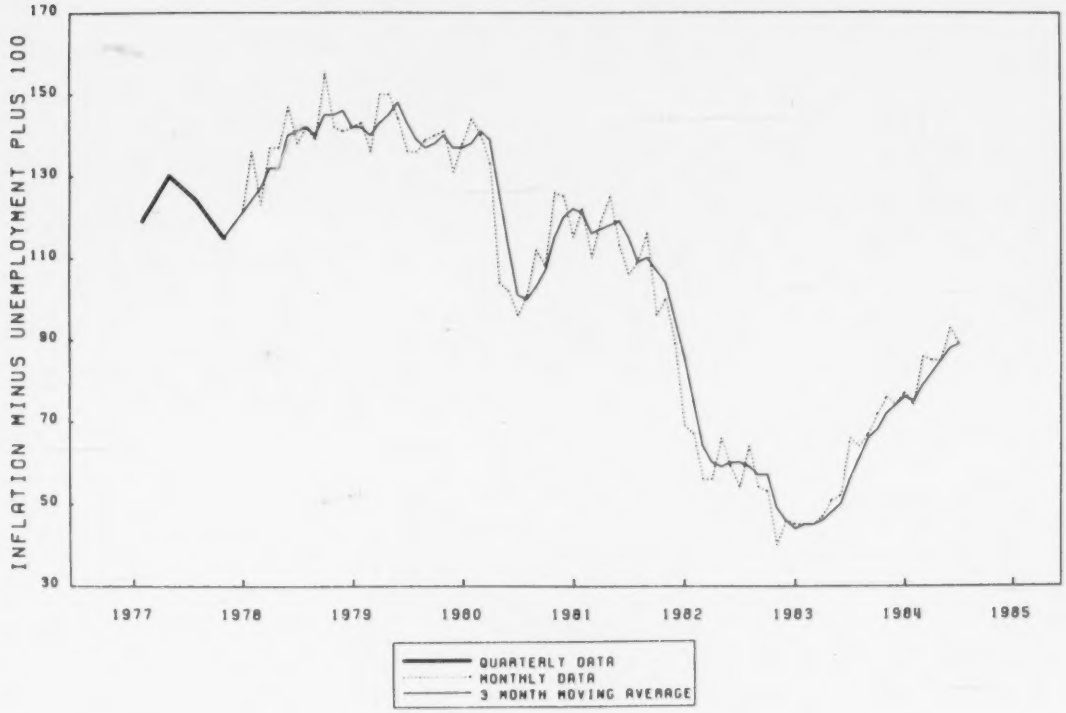


CHART 24 - HISTORICAL SERIES

UNEMPLOYMENT OR INFLATION MORE SERIOUS

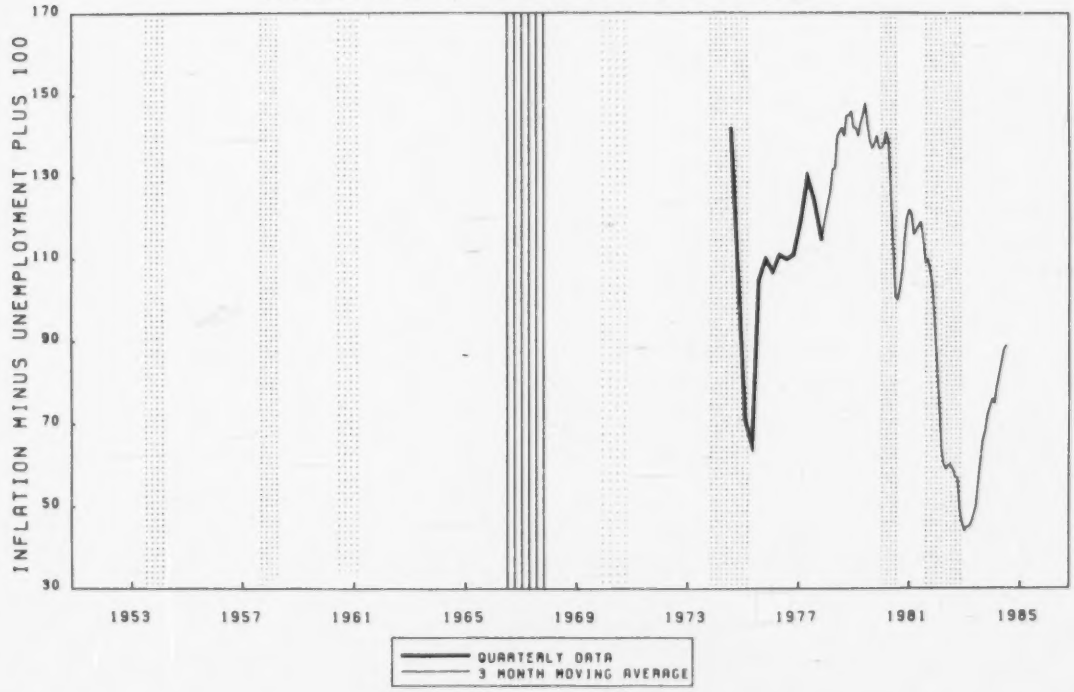


TABLE 24

UNEMPLOYMENT OR INFLATION MORE SERIOUS ECONOMIC HARDSHIP

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
UNEMPLOYMENT	63%	65%	62%	61%	57%	59%	58%	59%	52%	53%	54%	51%	51%
BOTH EQUALLY SERIOUS	6	5	8	5	7	6	4	5	7	7	6	3	7
INFLATION	29	29	29	33	33	33	35	33	38	38	39	44	40
DK,NA	2	1	1	1	3	2	3	3	3	2	1	2	2
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "Which of the two problems--unemployment or inflation--do you think will cause the more serious economic hardship for people during the next year or so?"

CHART 25 - RECENT CHANGES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

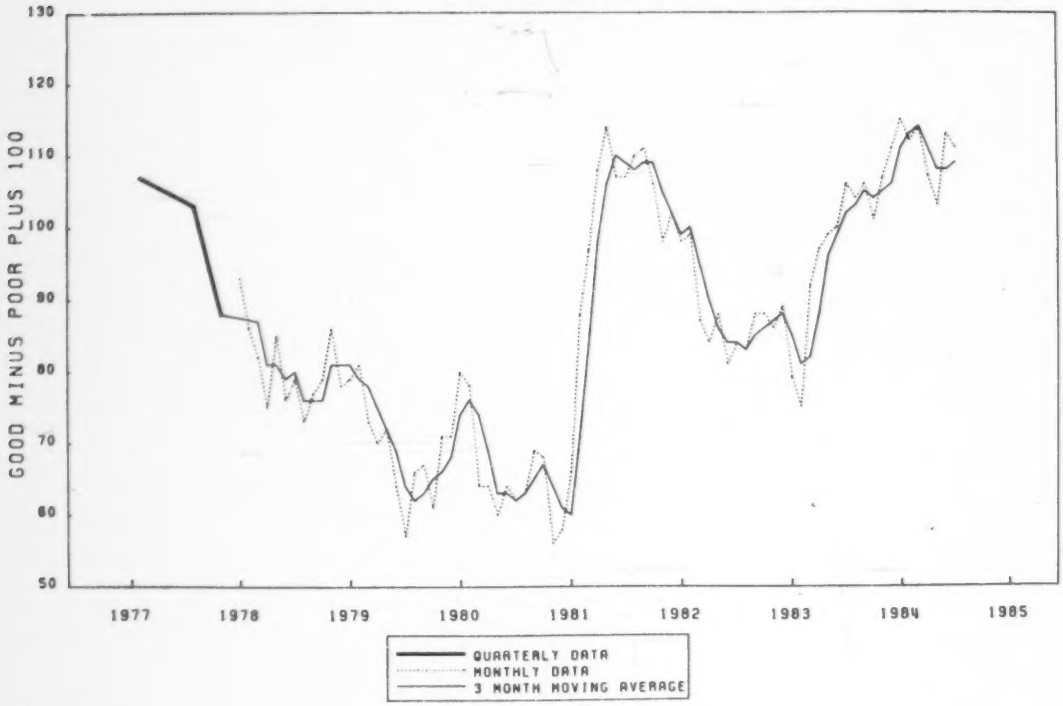


CHART 25 - HISTORICAL SERIES

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

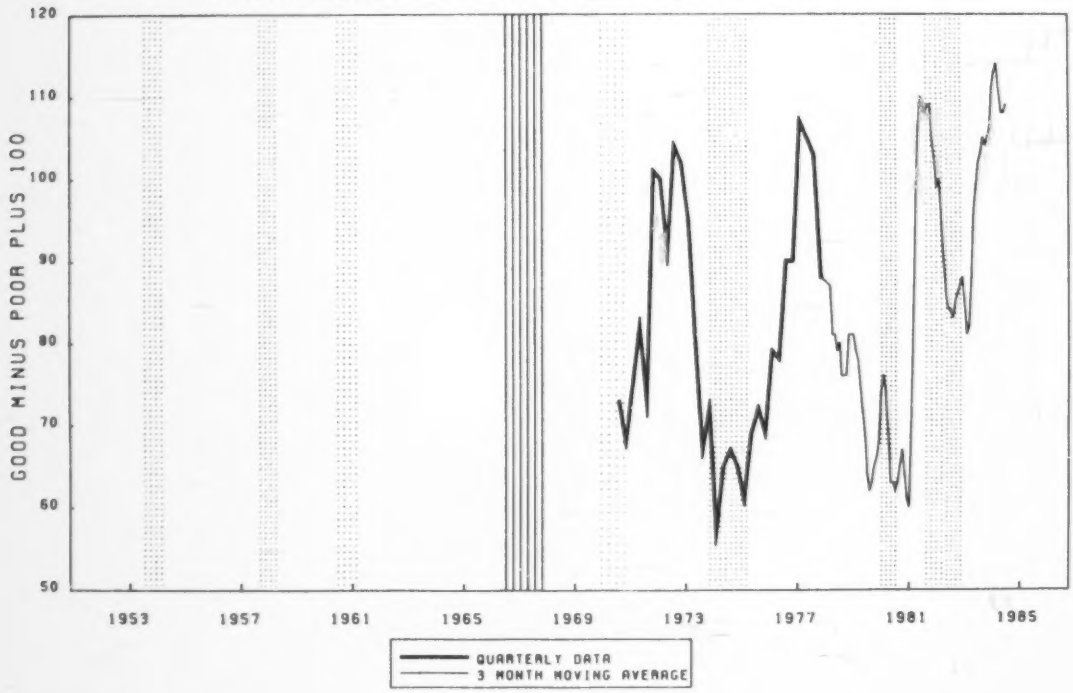


TABLE 25

OPINIONS ABOUT THE GOVERNMENT'S ECONOMIC POLICY

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
A GOOD JOB	27%	27%	27%	25%	27%	29%	31%	32%	33%	27%	25%	31%	30%
ONLY FAIR	51	48	50	50	49	51	52	45	47	50	52	49	48
A POOR JOB	21	23	21	24	20	18	16	20	19	20	22	18	19
DK,NA	1	2	2	1	4	2	1	3	1	3	1	2	3
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "As to the economic policy of the government--I mean steps taken to fight inflation or unemployment--would you say the government is doing a good job, only fair, or a poor job?"

CHART 26 - RECENT CHANGES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

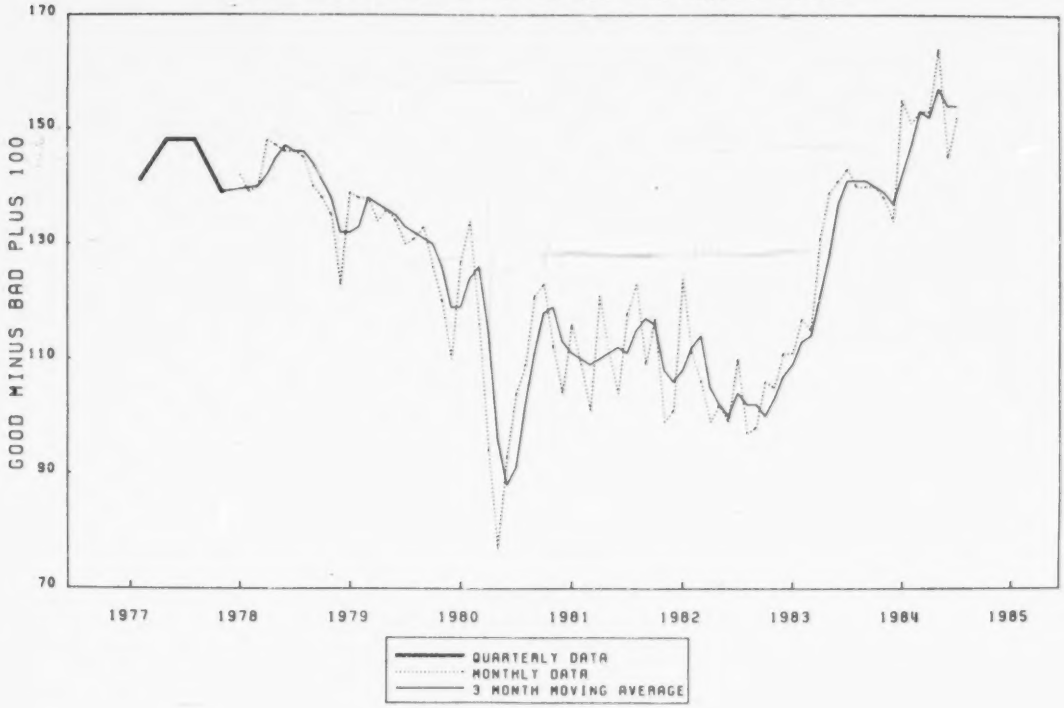


CHART 26 - HISTORICAL SERIES

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

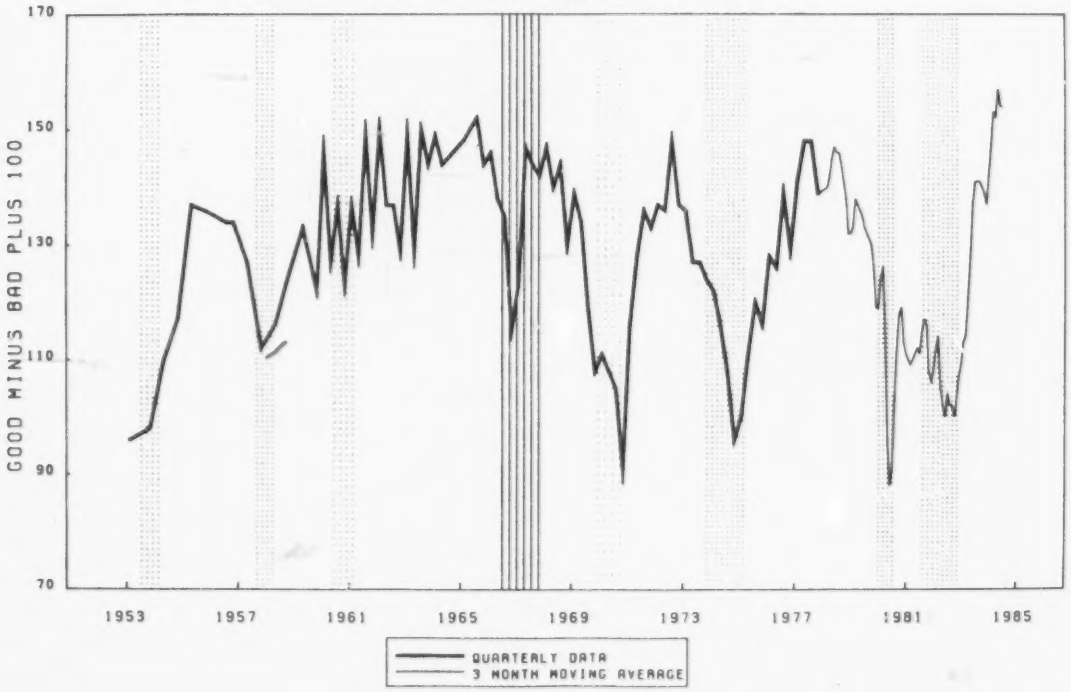


TABLE 26

BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
GOOD TIME TO BUY	67%	64%	66%	65%	64%	61%	73%	70%	72%	72%	77%	67%	71%
UNCERTAIN, DEPENDS	9	12	8	10	10	12	9	11	9	9	10	11	10
BAD TIME TO BUY	24	24	26	25	26	27	18	19	19	19	13	22	19
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "About the big things people buy for their homes--such as furniture, a refrigerator, stove, television, and things like that. Generally speaking, do you think now is a good or a bad time for people to buy major household items?"

CHART 27A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

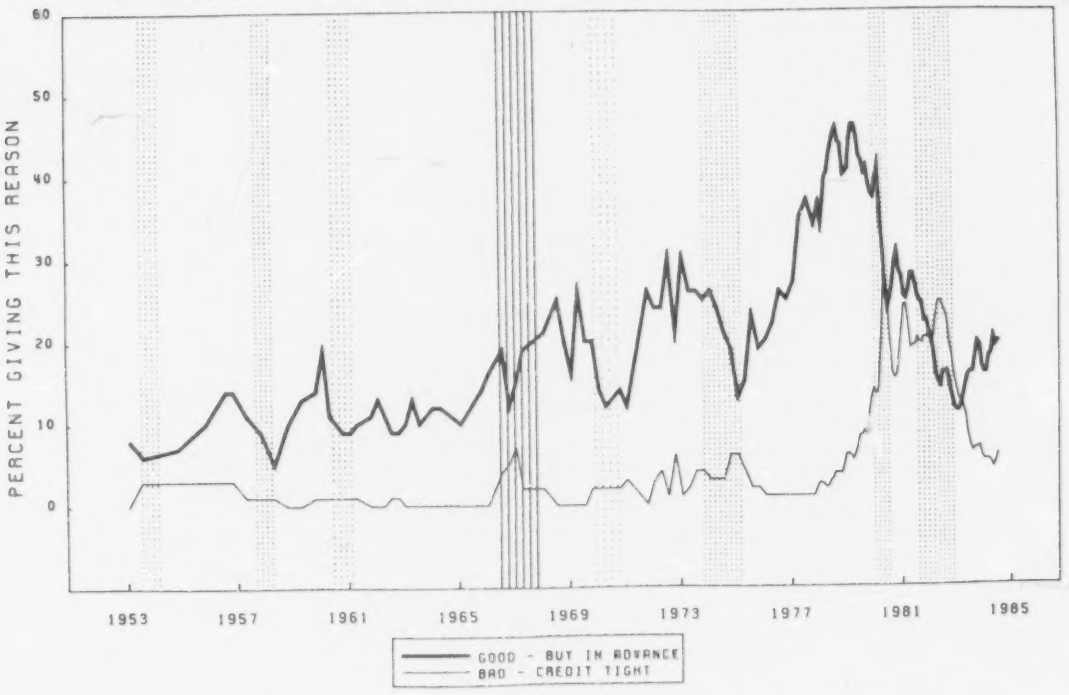


CHART 27B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR DURABLES

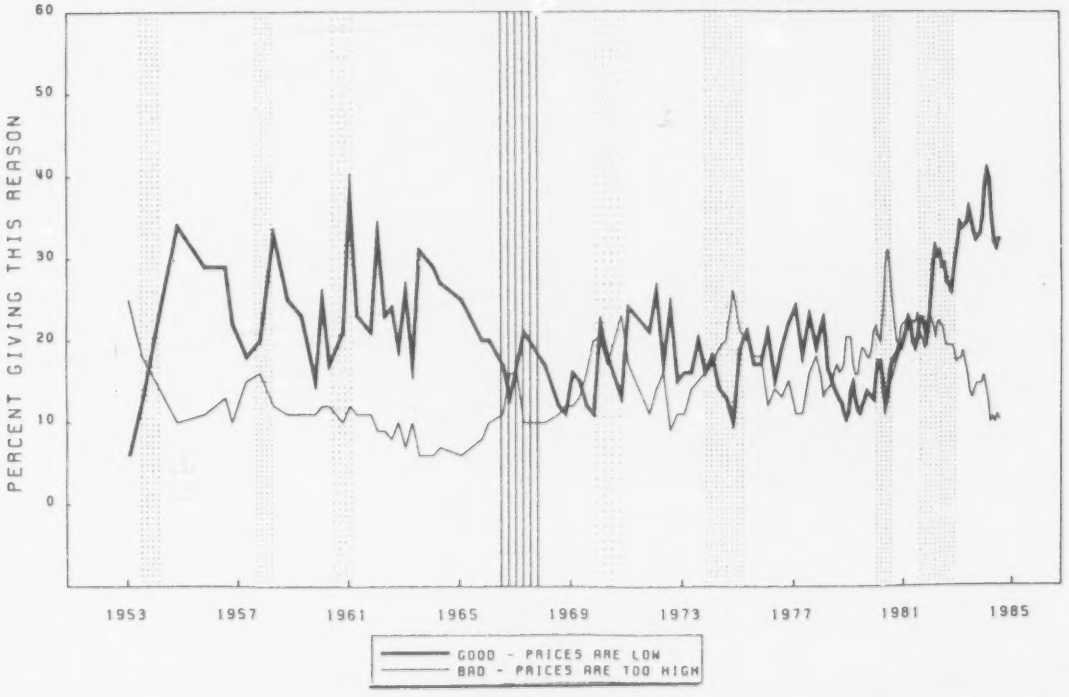


TABLE 27

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR LARGE HOUSEHOLD GOODS +

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	32%	33%	32%	33%	34%	38%	45%	39%	35%	30%	31%	33%	33%
Prices won't come down; are going higher	16	17	21	21	16	13	19	16	19	20	22	16	21
Interest rates low; credit is easy	13	12	12	7	8	7	9	11	10	14	11	11	10
BAD TIME TO BUY:													
Prices are high	14	15	15	14	15	18	10	10	10	12	8	13	10
Interest rates are high; credit is tight	7	6	7	7	7	3	6	7	3	5	5	5	8
Lack of purchasing power	9	11	11	12	8	10	7	7	9	6	5	7	5

Responses to the query: "Why do you say so?" following the question on Table 26.

+ : May add to more than 100% due to multiple mentions.

CHART 28 - RECENT CHANGES
BUYING CONDITIONS FOR HOUSES

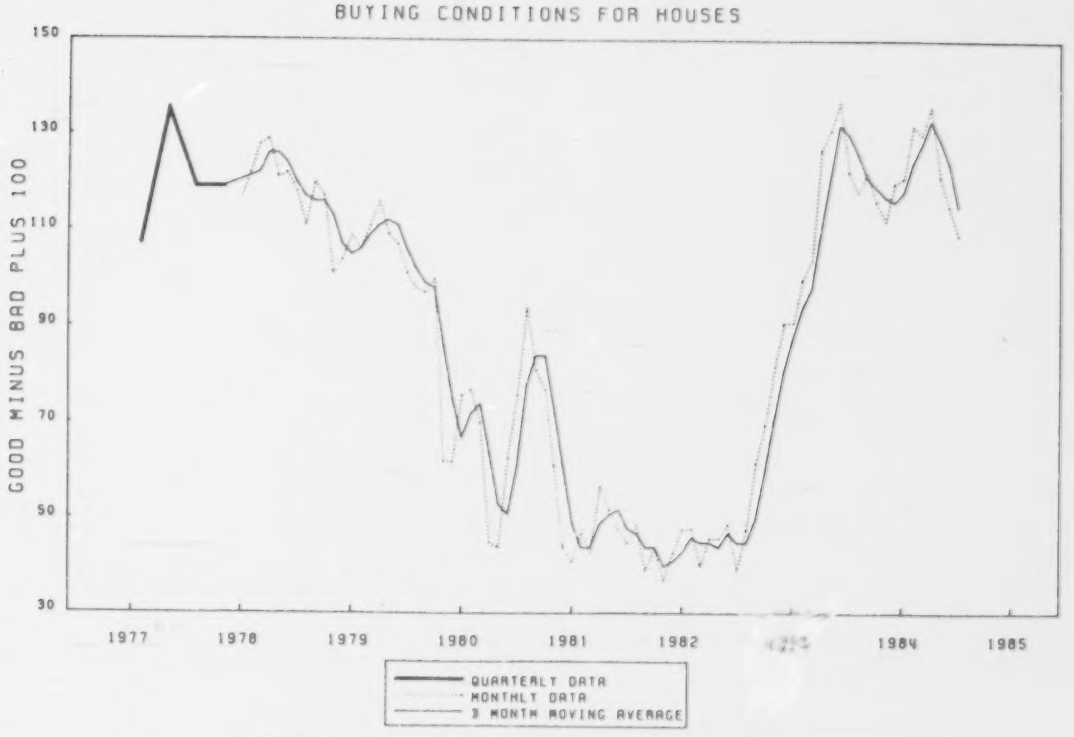


CHART 28 - HISTORICAL SERIES
BUYING CONDITIONS FOR HOUSES

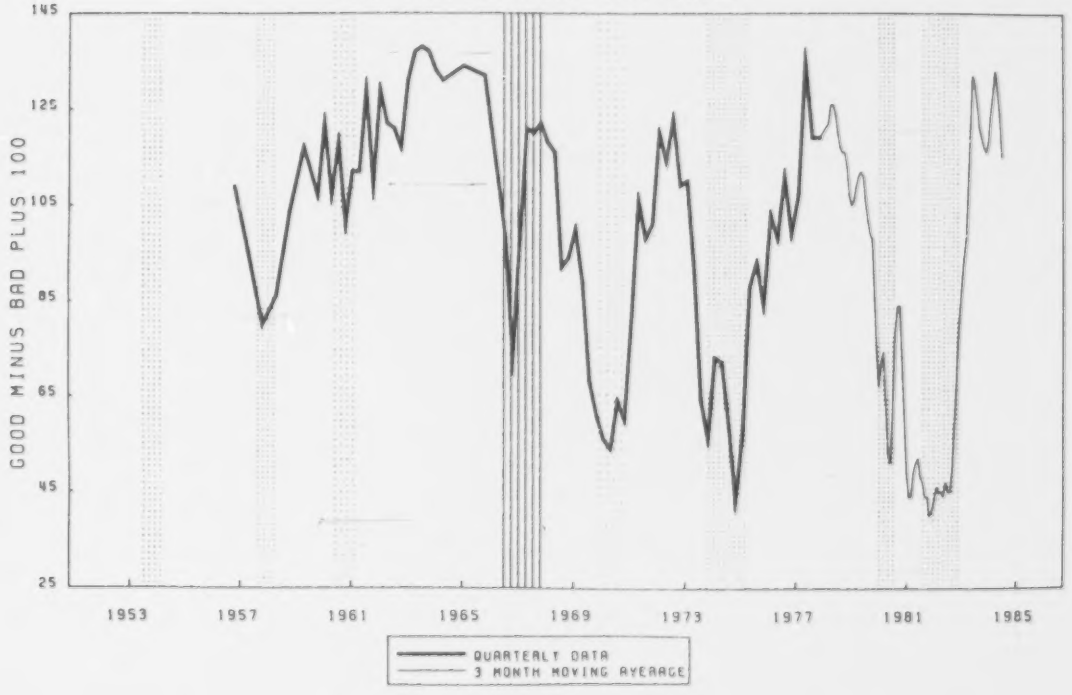


TABLE 28

BUYING CONDITIONS FOR HOUSES

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
GOOD TIME TO BUY	59%	57%	59%	55%	53%	57%	59%	63%	62%	66%	58%	55%	52%
UNCERTAIN, DEPENDS	4	4	4	6	6	6	3	6	6	4	5	5	5
BAD TIME TO BUY	37	39	37	39	41	37	38	31	32	30	37	40	43
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "Generally speaking, do you think now is a good time or a bad time to buy a house?"

CHART 29A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

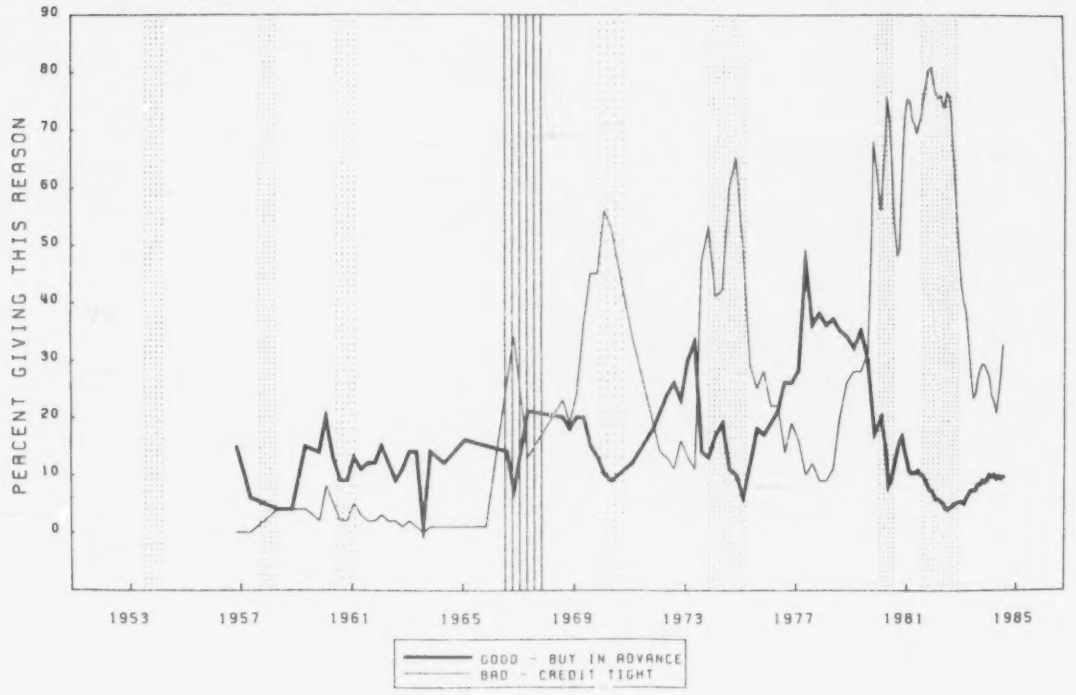


CHART 29B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES

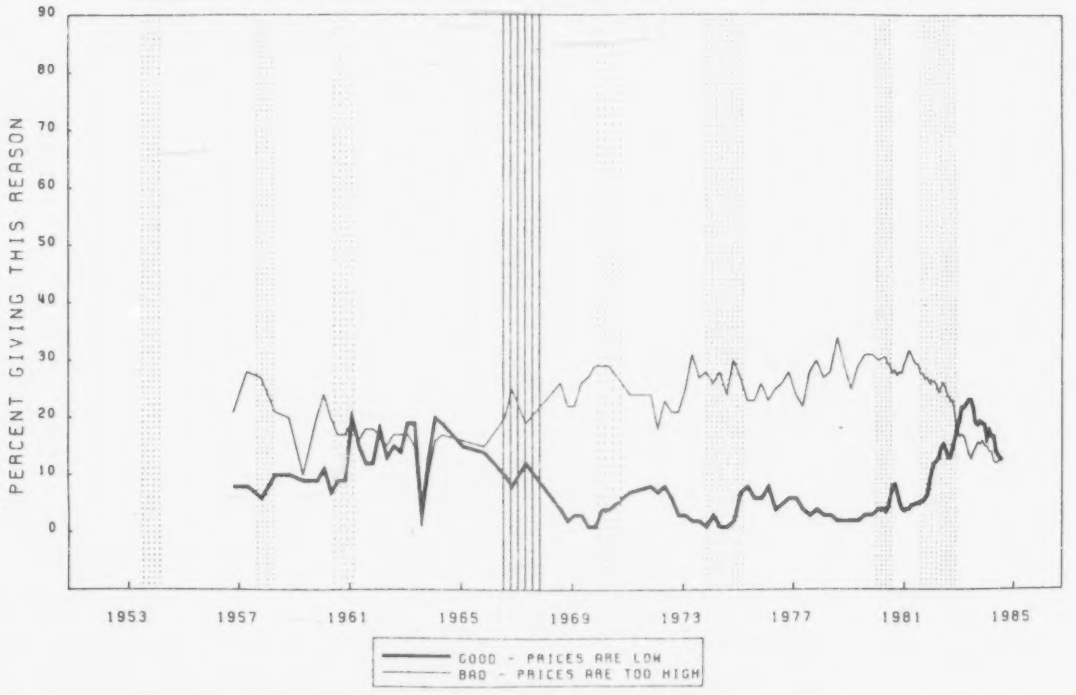


TABLE 29

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR HOUSES +

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	20%	17%	19%	22%	16%	18%	15%	20%	15%	15%	12%	13%	13%
Prices won't come down; are going higher	7	10	8	9	9	9	12	8	10	10	9	9	11
Interest rates low; credit is easy	49	44	47	38	40	41	41	50	49	52	44	38	37
Good investment	5	8	6	8	5	6	8	6	8	6	5	8	5
BAD TIME TO BUY:													
Prices are high	17	14	16	16	16	13	16	13	13	11	12	14	12
Interest rates are high; credit is tight	26	31	28	29	30	25	26	20	22	20	29	33	36
Lack of purchasing power	12	14	14	15	16	13	12	10	11	10	12	10	11

Responses to the query: "Why do you say so?" following the question on Table 28.

+ : May add to more than 100% due to multiple mentions.

CHART 30 - RECENT CHANGES
BUYING CONDITIONS FOR CARS

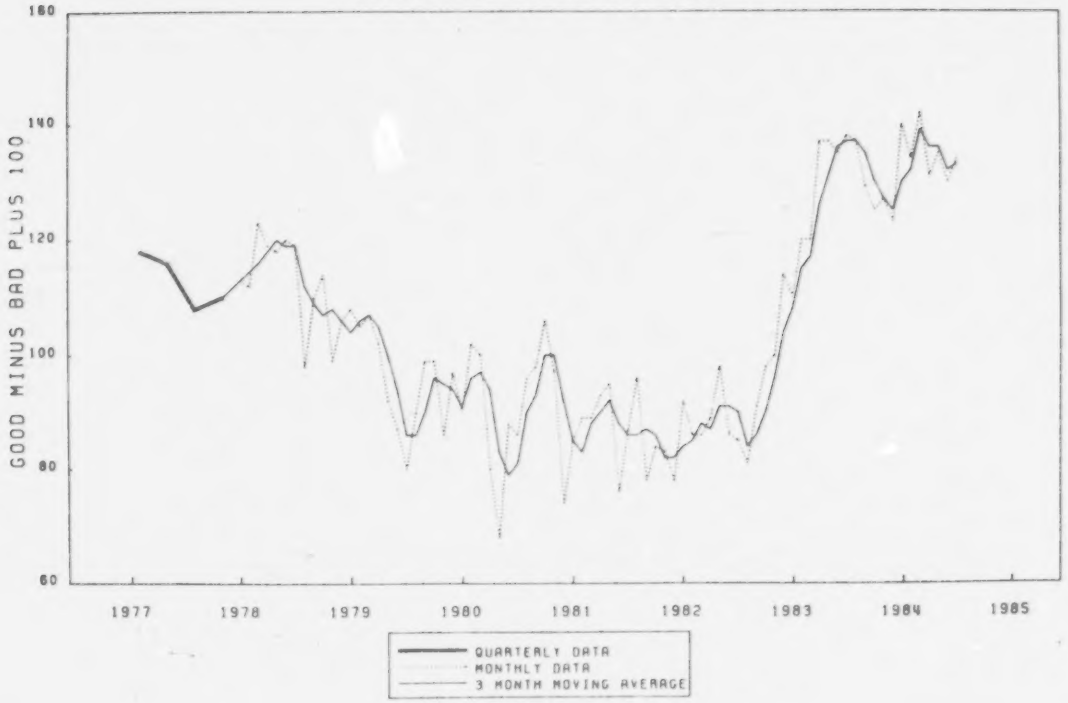


CHART 30 - HISTORICAL SERIES
BUYING CONDITIONS FOR CARS

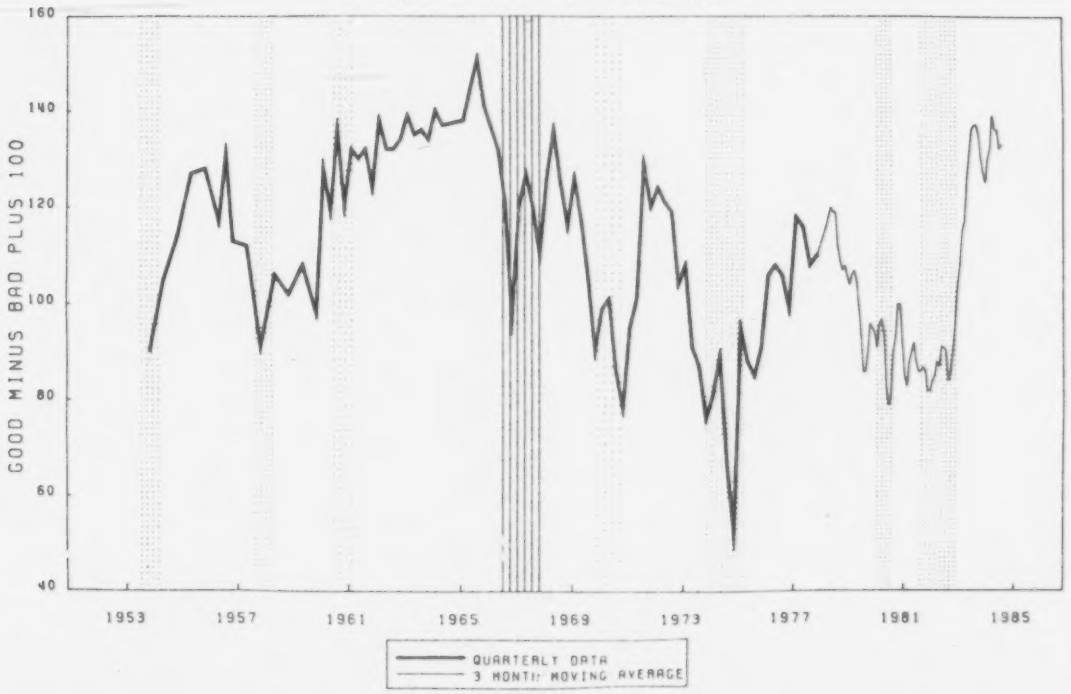


TABLE 30

BUYING CONDITIONS FOR CARS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
GOOD TIME TO BUY	65%	65%	61%	59%	59%	56%	64%	62%	66%	60%	63%	60%	62%
UNCERTAIN; DEPENDS	8	7	7	7	9	11	12	10	10	11	9	10	10
BAD TIME TO BUY	27	28	32	34	32	33	24	28	24	29	28	30	28
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "Speaking now of the automobile market--do you think the next 12 months or so will be a good time or a bad time to buy a car?"

CHART 31A - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

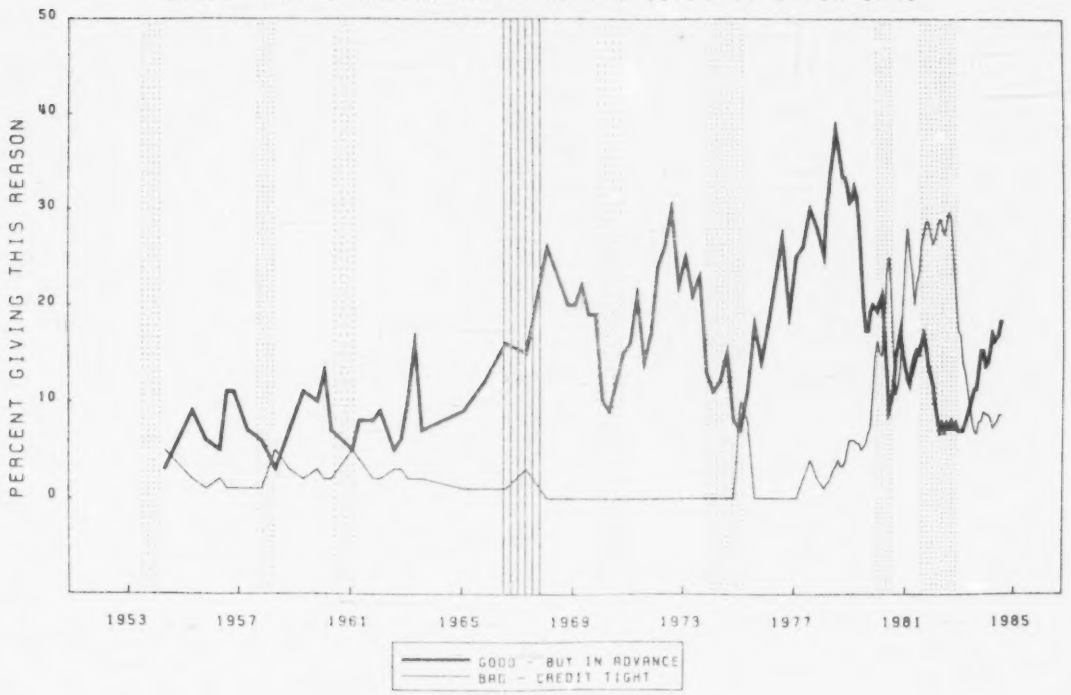


CHART 31B - HISTORICAL SERIES

REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS

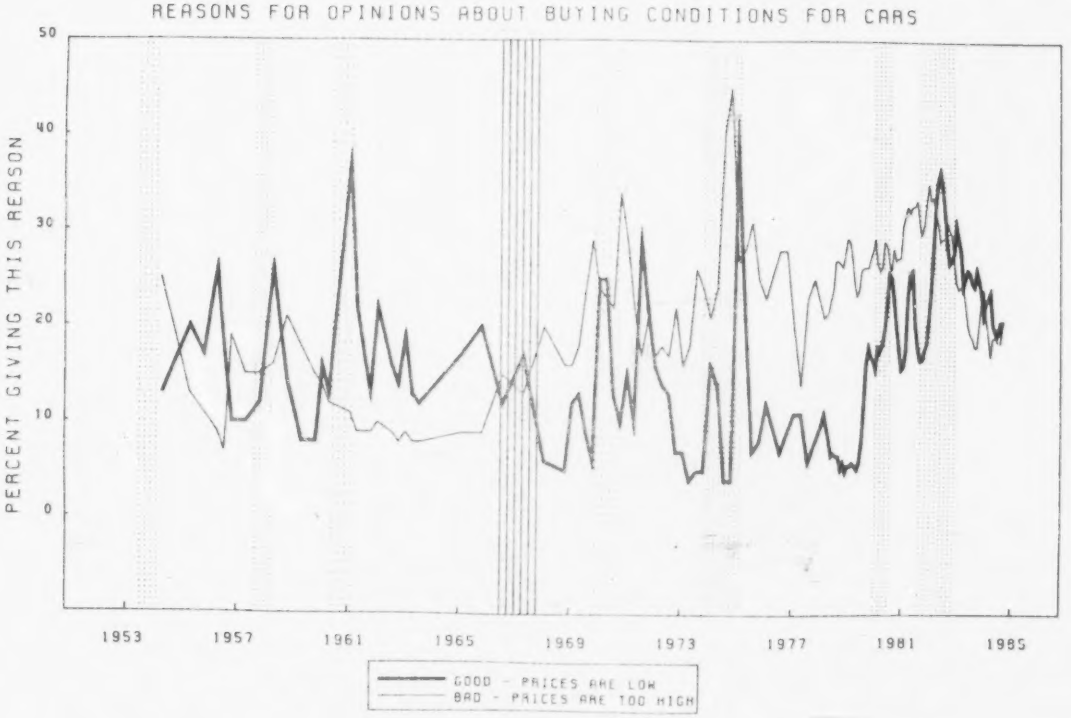


TABLE 31

SELECTED REASONS FOR OPINIONS ABOUT BUYING CONDITIONS FOR CARS +

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
GOOD TIME TO BUY:													
Prices are low; good buys available	25%	25%	28%	22%	21%	21%	26%	22%	23%	16%	20%	21%	21%
Prices won't come down; are going higher	11	12	17	17	12	12	18	16	17	16	17	18	20
Interest rates low; credit is easy	37	33	28	19	22	19	23	22	22	22	18	18	24
New fuel efficient models	2	1	2	2	2	2	1	2	1	1	3	1	1
BAD TIME TO BUY:													
Prices are high	18	16	20	25	23	24	16	18	17	22	18	20	20
Interest rates are high; credit is tight	8	6	10	8	9	9	8	8	6	9	9	8	9
Lack of purchasing power	7	9	6	8	6	5	3	5	5	4	5	4	4
Price of gas; shortages	*	1	*	*	*	*	*	*	1	*	*	*	*
Poor selection; quality	5	4	4	6	6	5	5	4	4	6	2	2	4

Responses to the query: "Why do you say so?" following the question on Table 30.

+ : May add to more than 100% due to multiple mentions.

* : Less than half of one percent.

CHART 32 - RECENT CHANGES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

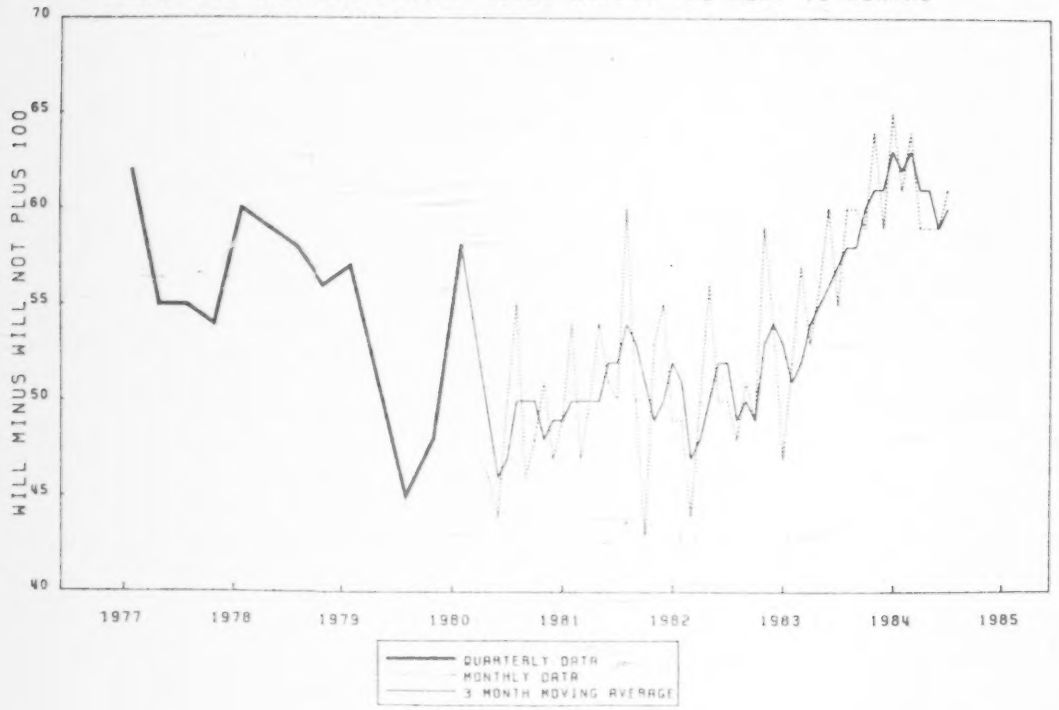


CHART 32 - HISTORICAL SERIES

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

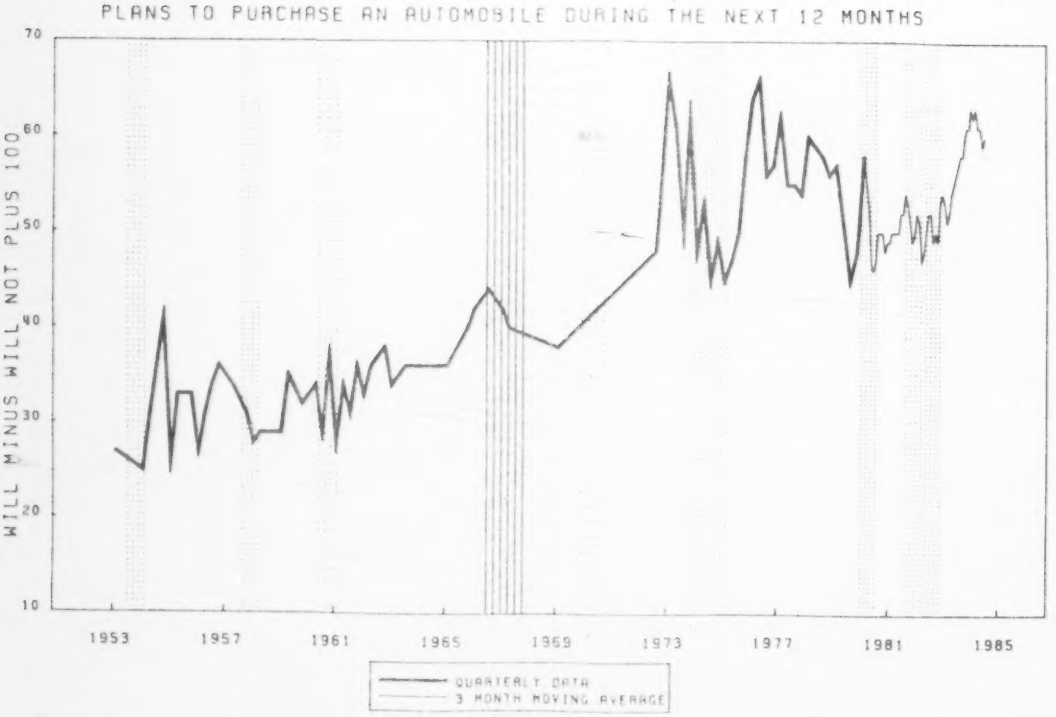


TABLE 32

PLANS TO PURCHASE AN AUTOMOBILE DURING THE NEXT 12 MONTHS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
PROBABLY WILL BUY	18%	21%	21%	21%	22%	20%	23%	21%	22%	21%	19%	20%	20%
CHANCES ARE EVEN	6	7	9	8	9	8	7	9	12	6	12	9	9
PROBABLY WILL NOT BUY	63	61	61	62	58	61	58	60	58	62	60	61	59
DK,NA	13	11	9	9	11	11	12	10	8	11	9	10	12
TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
CASES	680	673	704	689	701	701	681	687	700	705	690	680	656

The question was: "What do you think are the chances that you (or anyone else in your family living there) will buy or lease a car during the next 12 months--would you say you probably will, probably will not, or are the chances about even, or what?"

TABLE 33

CURRENT VEHICLE PURCHASE INTENTIONS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
PROPORTION WITH CURRENT PURCHASE INTENTIONS:	24%	28%	30%	29%	31%	28%	30%	30%	34%	27%	31%	29%	29%
PURCHASE TYPE:													
Buy new	11	15	13	17	17	16	15	14	16	13	15	16	15
Buy used	11	11	14	9	12	9	13	13	17	12	14	11	12
Lease	1	1	1	2	1	2	1	2	1	1	2	1	2
DK,NA	1	1	2	1	1	1	1	1	*	1	*	1	*
PURCHASE TIMING:													
Next 3 months	4	5	2	6	4	2	5	3	2	7	3	2	7
Next 4-6 months	6	4	7	8	5	4	10	7	10	6	9	8	6
Next 7-9 months	3	5	5	8	9	10	7	8	8	6	7	9	3
10 months or more	6	7	9	4	8	8	4	5	8	4	6	4	7
DK,NA	5	7	7	3	5	4	4	7	6	4	6	6	6

If response was "PROBABLY WILL BUY" or "CHANCES ARE EVEN" in Table 32, then the questions were: "If you do buy or lease a car, would it be a new car, or a used car?" , "Would you buy or lease?" and "When do you think you might buy or lease a car?"

* : Less than half of one percent.

TABLE 34

FUTURE VEHICLE PURCHASE INTENTIONS

	July 1983	Aug. 1983	Sept 1983	Oct. 1983	Nov. 1983	Dec. 1983	Jan. 1984	Feb. 1984	Mar. 1984	Apr. 1984	May 1984	June 1984	July 1984
PROPORTION WITH FUTURE PURCHASE INTENTIONS:	63%	61%	61%	62%	58%	61%	58%	60%	58%	62%	60%	61%	59%
PURCHASE TYPE:													
Would buy new	37	33	33	33	36	36	36	32	32	34	33	36	35
Would buy used	24	27	27	29	21	24	21	26	25	27	26	24	22
DK,NA	2	1	1	*	1	1	1	2	1	1	1	1	2
PURCHASE TIMING:													
Less than 2 years	8	6	8	6	5	7	5	8	7	10	5	7	5
2 years	23	21	22	20	19	23	19	20	19	20	22	21	18
3 years	9	9	10	11	10	9	10	9	9	9	9	8	10
4 years or more	18	18	15	19	18	17	17	17	16	17	18	17	18
Indefinite	2	2	2	*	1	1	2	3	3	1	2	2	3
DK,NA	3	5	4	6	5	4	5	3	4	5	4	6	5

If response was "PROBABLY WILL NOT BUY" in Table 32, then the questions were: "If you were to buy a car, would it be a new car or a used car? and "How long do you think it may be before will buy or lease a car?"

* : Less than half of one percent.

EXPLANATORY CHARTS

CHART 1 - RECENT CHANGES
THE INDEX OF CONSUMER SENTIMENT

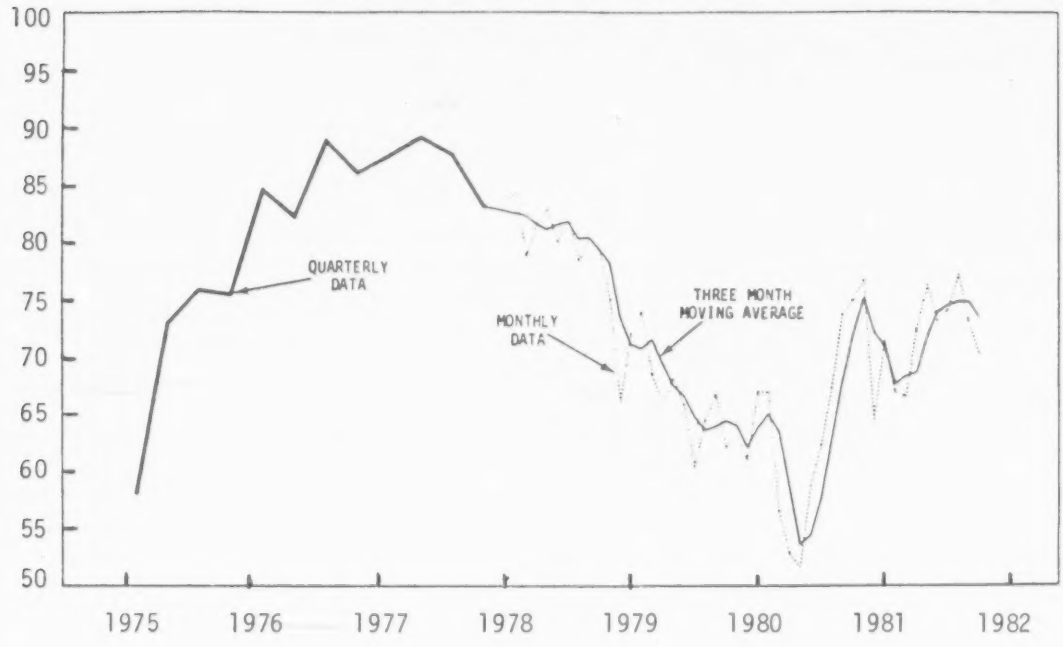
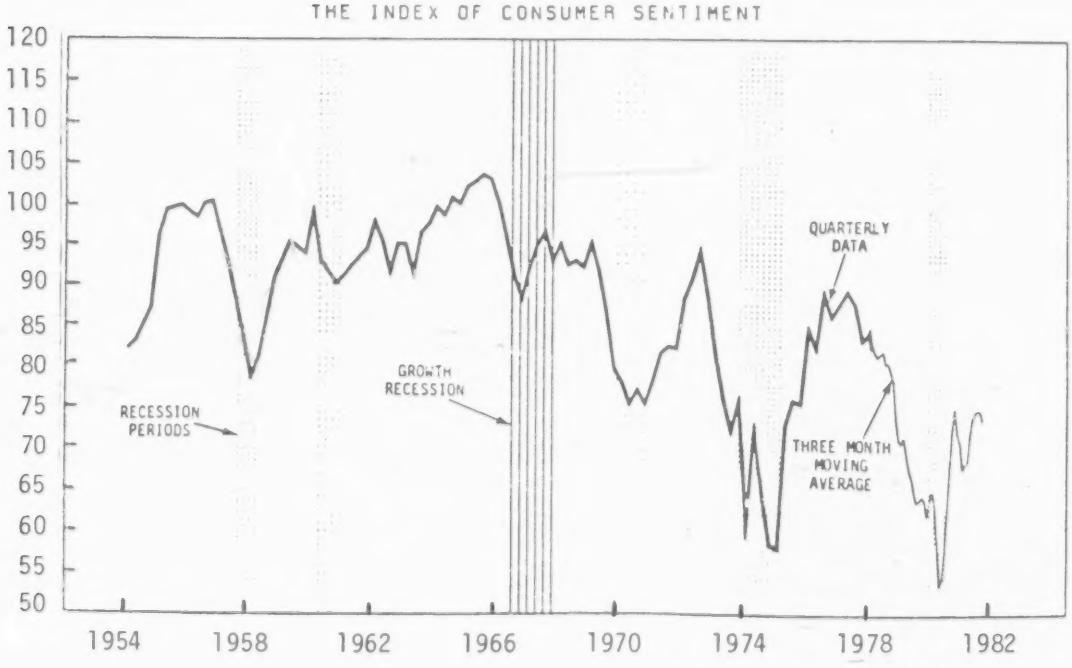


CHART 1 - HISTORICAL SERIES
THE INDEX OF CONSUMER SENTIMENT



DESCRIPTION OF CHART LINES

QUARTERLY DATA: Data collected by surveys conducted at three-month intervals before 1978.

MONTHLY DATA: Data collected by surveys conducted each month since January of 1978.

THREE-MONTH MOVING AVERAGE: Each point plotted represents the average of the three monthly observations ending at the date plotted.

TIME SCALE LABELS

Each tic mark on the time scale represents the month of January for the indicated year.

NATIONAL BUREAU OF ECONOMIC RESEARCH, REFERENCE DATES FOR RECESSIONS

DATES:	November	1948	- October	1949
	July	1953	- May	1954
	August	1957	- April	1958
	April	1960	- February	1961
	June	1966	- November	1967*
	December	1969	- November	1970
	November	1973	- March	1975
	January	1980	- July	1980
	July	1981	- November	1982

Notes:

RECESSION PERIOD: Reduction in the national output of goods and services, generally lasting at least two quarters.

*GROWTH RECESSION: Retardation in the rate of growth of output and employment (usually followed by a recession and always the initial stage of a recession).

APPROXIMATE SAMPLING ERRORS[a] OF SURVEY FINDINGS

(In percentages by size of sample or subgroup)

Reported Percentages	Number of Interviews		
	700[b]	1,400[c]	2,100[d]
50	4.2	3.2	2.8
30 or 70	3.8	2.9	2.5
20 or 80	3.4	2.6	2.2
10 or 90	2.5	1.9	1.6
5 or 95	1.8	1.4	1.2

[a]The figures in this table represent two standard errors. Hence, for most items the chances are 95 in 100 that the value being estimated lies within a range equal to the reported percentages, plus or minus the sampling error.

[b]Average size of monthly surveys.

[c]Average size of two monthly surveys.

[d]Average size of three monthly surveys (one quarter).